

# **City of Wenatchee, Washington**

## **Adopted Budget For Fiscal Year 2010**

**Dennis Johnson  
Mayor**

**Mark S. Calhoun  
Finance Director**

**Deanne McDaniel & Lisa Johnson  
Accounting Supervisors**

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*"To create community through responsive leadership and  
services for the citizens and visitors of the Apple Capital of the World"*



**City of Wenatchee, Washington  
Principal Officials**

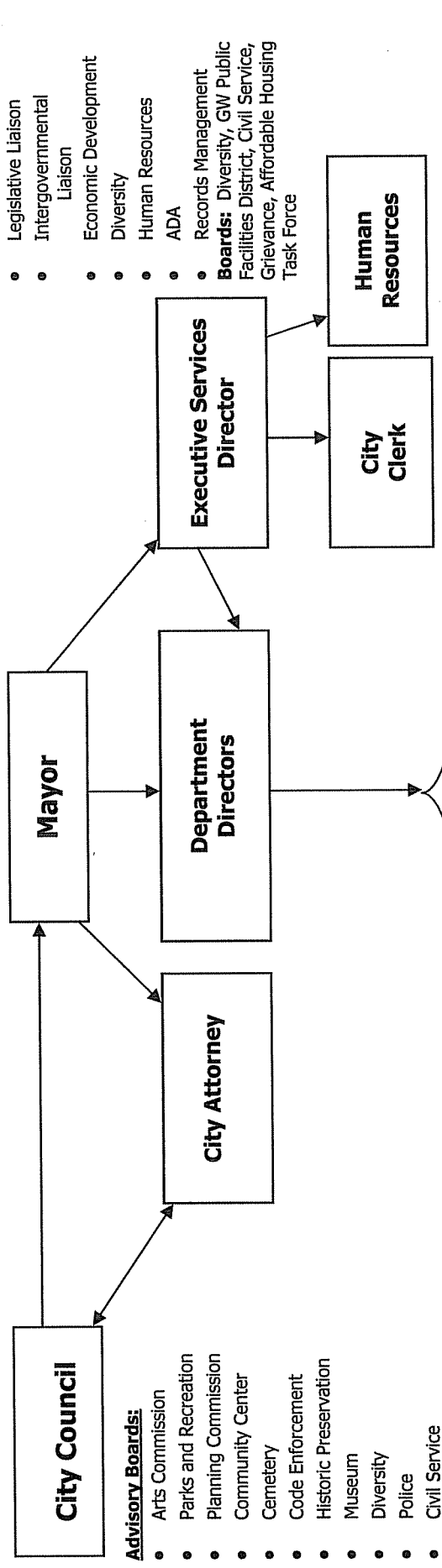
**CITY COUNCIL**

Mayor	Dennis Johnson Third term expires: December 31, 2011
Council Position #1	Jim Bailey Second term expires: December 31, 2013
Council Position #2	Tony Veeder First term expires: December 31, 2013 Gaby Fernandez First term expired: December 9, 2009
Council Position #3	Karen Rutherford Second term expires: December 31, 2013
Council Position #4	Doug Miller Second term expires: December 31, 2013
Council Position #5	Mark Kulaas Second term expires: December 31, 2011
Council Position #6	Don Gurnard Third term expires: December 31, 2011
Council Position #7	Carolyn Case Second term expires: December 31, 2011

**CITY ADMINISTRATION**

Attorney	Steve Smith
City Clerk	Tammy Stanger
Community Development Director	vacant
Executive Service Director	Allison Williams
Finance Director	Mark Calhoun
Fire Chief	Stan Smoke
Human Resource Director	vacant
Information Technology Director	Dale Cantrell
Museum Director	Brenda Abney
Parks and Recreation Director	Dave Erickson
Police Chief	Tom Robbins
Public Works Director of Operations	Dan Frazier
Public Works Director of Engineering	Steve King

# City of Wenatchee Organization



## Public Works—Engineering / Interim Comm. Development

### PW—Engineering / Comm. Dev

- Engineering
- Contracting
- Long Range Planning
- Current Planning
- Permitting
- Code Enforcement
- Historic Preservation
- Environmental
- CDBG/Homeless Housing

### Boards:

- Planning Commission
- Code Enforcement
- Historic Preservation
- Stormwater Advisory Committee
- Regional Water
- WVTC
- Affordable Housing Task Force

### PW—Operation

- Facilities
- Fleets
- Water
- Regional Water
- Sewer
- Environmental
- Parks Maintenance
- Streets
- Storm water
- Cemetery

### Boards:

- Cemetery
- Parks / Rec
- Stormwater Advisory Committee

### Police:

- Patrol Division
- Special Services
- Drug Task Force
- Records/Parking
- Investigations

### Boards:

- Police Advisory
- Civil Service

### Fire:

- Fire Prevention, Safety, Operations and Training
- Emergency Operations Center

### Boards:

- Civil Service

### Parks / Recreation:

- Parks and Recreation programming
- Special Olympics
- Parks Comprehensive Plan
- Parks Development

### Boards:

- Parks / Recreation
- Community Center

### Museum:

- Museum programs and events
- Regional Curator
- 1% for Arts Planning and Implementation
- Regional Historian
- Umbrella for other related non-profits

### Boards:

- Museum
- Museum Non-Profit
- Arts Commission

### Information Systems:

- Information technology systems
- Data network support
- Webpage
- Internet
- Intranet
- City telephone
- Public Access TV
- GWFPD IT system

### Finance:

- City budget and financial statement preparation
- Utility billing
- Manage annual audit process
- Bond issues
- Grant administration
- Finance for Regional Water
- Finance for the GWFPD

### Boards:

- Regional Water
- GW Public Facilities District



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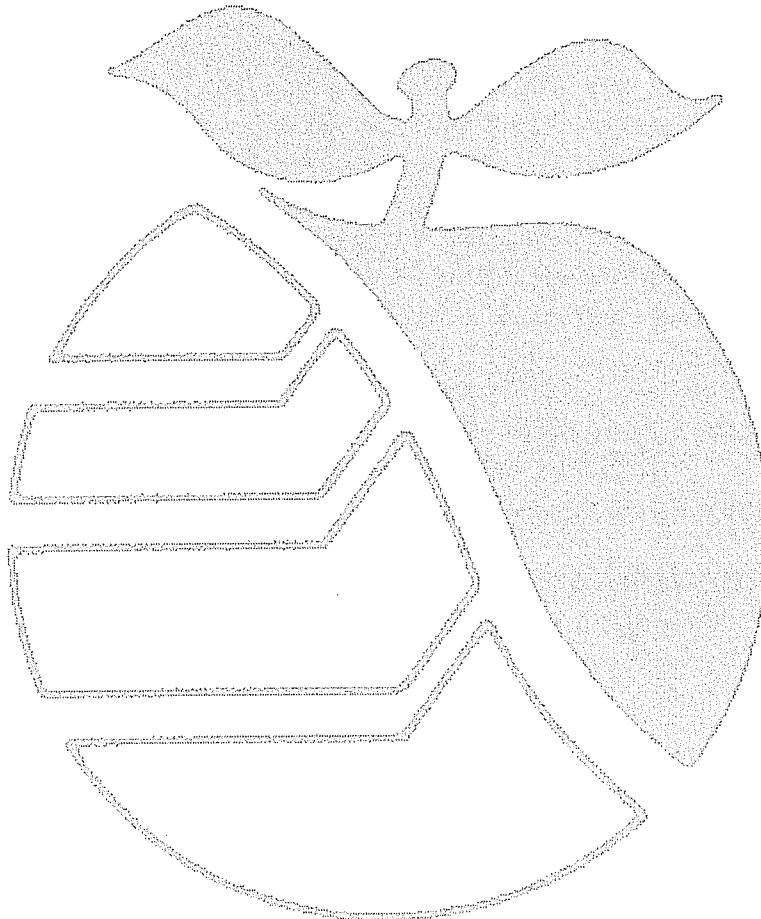
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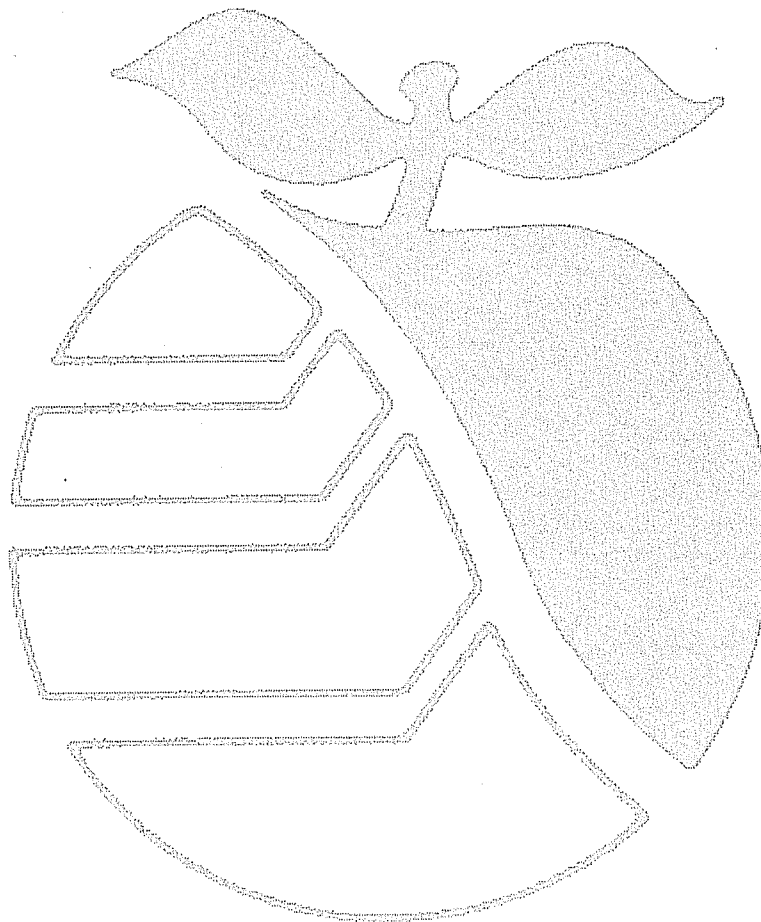
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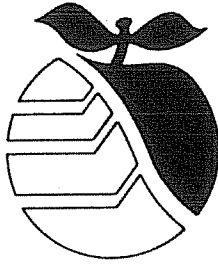
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## Part 1. Budget Message





City of Wenatchee, WA  
P.O. Box 519  
129 South Chelan Avenue  
Wenatchee, WA 98807-0519  
509/888-6200  
509/888-6201 fax

Honorable City Council  
and Citizens of Wenatchee  
City of Wenatchee, Washington

March 2010

***Creating community through responsive leadership and services for the citizens and visitors of the Apple Capital of the World.*** This is the City's Vision Statement, and in 2009 this Vision Statement became incredibly important as we faced one of the most challenging budget years in recent memory. First, I would like to recognize the ongoing accomplishments of the City team:

- Our Planning and Engineering Departments provided timely review in order to issue the needed permits to move the \$150 million Central Washington Hospital expansion forward. This project is a huge stimulus for our region and a testament to the strength of the health care sector in our region.
- City staff, who were part of a transition team of Events Center staff, Public Facilities District Board members and City Council members led a process to transition the Events Center to self management in a 90 day period. Their work also saved the Public Facilities District from findings associated with the lack of accounting back up provided by the former manager, Global Entertainment.
- Our Parks and Recreation Department worked to assure the installation of new playgrounds in Methow and Pennsylvania Parks. These playgrounds were a welcome addition for these neighborhoods.
- Under the leadership of our Public Works Department, we cut the ribbon on Riverside Drive, and began the process to repaint the Wenatchee Reclamation Bridge as a benefit to the region for the next 100 years of its service. These projects required significant community and grant resources to complete. We are proud of the way the community came together to ensure these projects were completed.
- In anticipation of the onset of the HINI virus, a City team led by our Human Resources Department and Fire Chief, ensured the City had a plan to deal with spread of the infection and potential absences.
- The Wenatchee Valley Museum and Cultural Center welcomed the Women's Suffrage exhibit. This was a great accomplishment for our Museum, which put Wenatchee on the map for traveling exhibits. Director Brenda Abney also was elected as President of the Washington Museum Association.
- Our Fire Department continued to provide incredible service to our residents and businesses dealing with the Fontanelle Fire and the Go USA building (former Stemilt warehouse) fire – both were devastating but were dealt with quickly and efficiently minimizing damage to adjacent structures.
- Our Information Technology Department implemented the Citizen Help Desk program. This is a great service for anyone who wants to report an issue and ensure that it is tracked and dealt with. Check out the City's webpage at [www.wenatcheewa.gov](http://www.wenatcheewa.gov).
- Our City Attorney led the City through a challenge of the County with the Eastern Washington Growth Management Hearings Board and we look forward to working more closely with the County on joint planning in the future as a result.

- In our Police Department, we recognize the efforts of Sgt Cherie Smith in her work with the Mental Health Community and Sgt John Kruse in solving the old murder cases with Douglas County.
- Finally, as the year ended we elected Tony Veeder, a new member of City Council and confirmed the membership of Karen Rutherford, Jim Bailey and Doug Miller. We were not successful with our Fire Bond and we will be evaluating next steps with that proposition in the year to come.

As we ended 2009, we worked diligently to balance a 2010 budget without compromising city services. For the City of Wenatchee, the national recession began to show up in the first quarter of 2009. Until then, the City had several large construction projects which kept the retail sales tax revenues strong, however in early 2009 retail sales tax revenues began to slow, indicating as much as a 15% reduction by the end of 2009. A 15% reduction in sales tax meant city revenues could be off by as much as \$1.2 million. As a result, the City embarked on an intensive process to begin looking at cuts and revenue enhancements for 2009 and 2010:

- City Council held a work session in April 2009 to understand the current status of the budget
- On June 3<sup>rd</sup>, the Mayor held a meeting with Department Directors and initiated a hiring freeze and a freeze on travel
- On June 29<sup>th</sup>, City Department Directors and several Council members participated in a half-day meeting to create budget reductions or enhancements for 2009/2010
- On July 30, 2009, a budget amendment was brought to City Council that resulted in a \$1,177,959 reduction to the city's 2009 budget
- On August 13<sup>th</sup>, the City initiated a Voluntary Early Retirement Program to encourage retirements for those who were eligible
- On September 17<sup>th</sup> an additional work session was held with the City Council to identify the status of the budget; and
- On October 8<sup>th</sup> the City reviewed the preliminary budget for 2010 which identified that the City was still over \$1 million short of having revenues meet expenses

After October 8<sup>th</sup>, City Departments developed further cuts and the Mayor's office, together with the Finance Department looked at restructuring of city departments with the goal of maintaining service to the residents of Wenatchee. This level of service is critical as the City of Wenatchee:

- Maintains 250 lane miles of street (including upkeep, snowplowing, weed control, etc)
- Maintains 13 City parks (over 80 acres), 300 street trees and over 49 city facilities with 330,000 square feet of space
- Manage funds from two counties to benefit 19 low income and homeless housing projects
- Maintain 48 traffic signals and 1900 street lights
- Maintain 106 miles of water mains, 116 miles of sanitary sewers and 125 miles of storm sewers under our roads
- Provide treasury/finance service for the Regional Water system, Greater Wenatchee Regional Events Center Public Facilities District
- Provide over 2500 calls of fire service personnel to life/safety issues
- Provide over 20,797 calls to police incidents
- Provide staff for 14 City Advisory Boards

As the City looked at providing a similar level of service, there was also the recognition that:

- City revenues were down over 15%
- Since 2002, the city's population had grown 11%
- The City would be trying to provide the same level of service with 192 employees (this number had been 200 through 2009)
- Technology needs had grown dramatically since 2000
- The actual cost for providing services has continued to escalate
- Traffic volumes have continued to escalate

As a result, in order to balance the need to provide service to the community and the need to cut staff, the city eliminated two Director positions and did not fill 6.33 positions for 2010. In addition several fees were increased to help offset the cost of providing a service:

- Effective January 1, parking tickets were raised to \$30 and several parking violations were raised to \$124
- Effective January 1, street cuts fees were raised to reflect the true cost of maintaining the street after it is cut
- Effective May 1, Building/Planning/Engineering and Fire Code fees will be increased and will vary depending on the value of what is being built/developed

It was one of the most difficult budget processes on record, however 2011 will be equally, if not more, difficult. Through several processes and projects in 2010, the city hopes to enter the 2011 budgeting process on more solid footing:

- The Mayor has pulled together a Criminal Justice Work Group to look at the housing of jail inmates in order to understand how the city may do this more effectively. In 2006, jail costs were \$981,700 and in 2009 they had grown to \$1,991,380 representing an increase of \$1,009,680 or 102% over just a three-year period of time.
- The City Council has initiated a study of the city's Hotel-Motel tax funded entities (Convention Center, Visitor and Convention Bureau) to understand how they are operating, particularly in light of the need to provide support for the Town Toyota Center. In early 2010, we'll learn how these tourism facilities and entities could be operating more efficiently while continuing to grow the city's ability to attract tourism and event business.
- The City Council has indicated a desire to take another look at Fire operations to understand how fire services could be operated more efficiently.
- Finally, the City is pursuing a partnership with the Port of Chelan County to potentially create the Pybus Public Market as a catalyst project to make sure the city's newly created Local Revitalization Financing District can become an ongoing source of revenue for further waterfront improvements including:
  - Potential landfill mitigation on and adjacent to the city's former Public Works building
  - Gateway and street improvements connecting downtown to the waterfront at Orondo and Worthen
  - Parking improvements supporting the Wenatchee Row and Paddle Club at the end of 9<sup>th</sup> Street and
  - Overall parking improvements in the waterfront district.

Although the City has been facing daunting financial times, we believe the investments we have made in the infrastructure of our City will serve to incent significant private reinvestment in the community when the economy rebounds. The City has been able to preserve core City services and our core employment base. In 2010, we'll need to rise to the challenge again, and continue to move forward and creatively reorganize in order to effectively budget for 2011.

Respectfully submitted,



Dennis Johnson  
Mayor



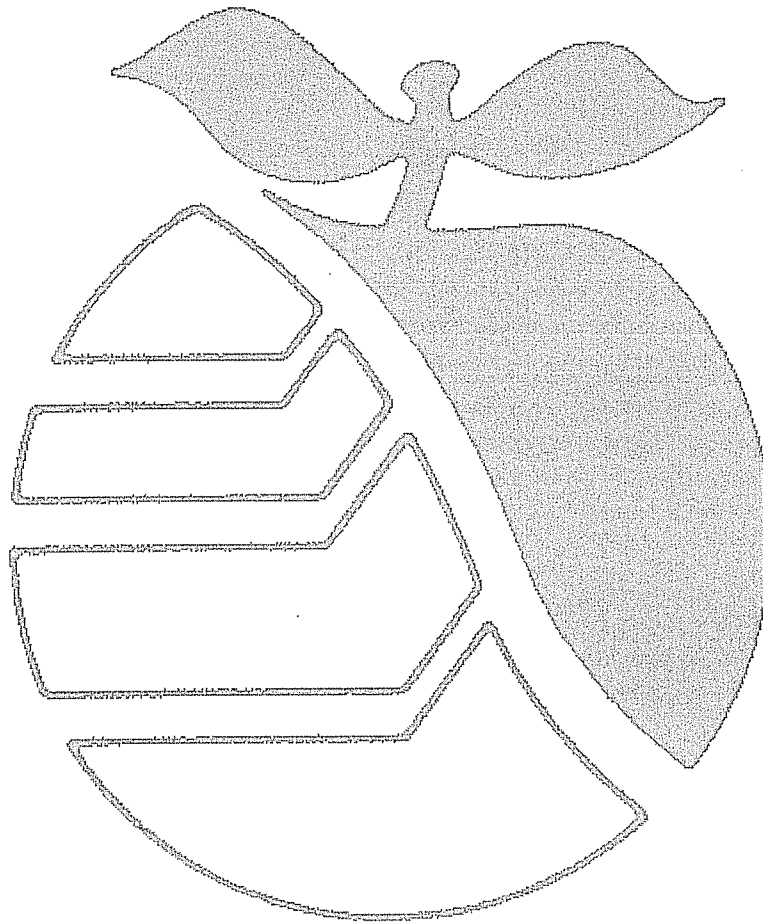
Mark S. Calhoun  
Finance Director



Allison Williams  
Executive Svc. Director



## Part 2. User Guide



**HOW TO READ AND UNDERSTAND THE CITY BUDGET**

This operating budget and capital facilities program is the City of Wenatchee's comprehensive financial and operational plan for 2010. Because of the amount of information contained herein it can be an imposing document. The reader should keep in mind that the primary intent of this document is to answer two basic questions: "Where is the City's money coming from?" and "How will that money be used?"

There are many ways to present the information that answers these questions but this budget focuses on the City's fund structure. All of the information presented is organized by the fund that is responsible for providing a service or activity. For example, money that the City collects from its customers for their water consumption is spent on providing water service through the Water/Sewer Fund.

The 2010 Budget is divided into sections by fund and includes information on each of the City's funds so that the reader can better understand how the fund works, its financial condition, the services that are financed by that fund and the departments that deliver those services.

**THE CITY'S FUND STRUCTURE**

The City of Wenatchee uses fund accounting practices in its budgeting and accounting procedures that conform to standards established by the Governmental Accounting Standards Board (GASB). Fund accounting is based on the concept that certain types of revenue should be used only for certain types of expenses.

The City utilizes fund accounting by establishing numerous separate funds in its accounting system. One way to describe the City's fund structure is that each fund is like its own business with its own set of accounting records detailing its financial condition. Thus, it is possible for some City funds to be financially healthy while others may struggle with operating deficits. A major difference between the City and a private company is that while the company can move money from a healthy enterprise to one that is not doing well, the City is generally prohibited from doing so. For example, revenue collected from payment of water bills may only be used to pay for costs associated with the provision of water service and cannot be used to subsidize unrelated City operations such as hiring police officers or purchasing fire trucks.

Fund accounting provides for three different types of funds. A brief description of these fund types and the City's use of them are as follows:

**A. GOVERNMENTAL FUNDS (4 Types)**

- 1) The General Fund accounts for all receipt and disbursement transactions of ordinary City operations that are not required to be accounted for in another fund. Primary sources of revenue are property taxes, sales taxes and utility taxes. Expenditures of this fund consist of fire and police protection, parks and recreation, museum, community development, engineering, human resources, finance and mayor/council.
- 2) Special Revenue Funds are established to account for the proceeds of specific revenue sources (other than special assessments, expendable trusts or major capital projects) that are legally restricted to expenditures for specified purposes.
- 3) Debt Service Funds account for the accumulation of resources for and the payment of general obligation and special assessment bonds. The amount of bonds outstanding is recognized in the General Long-Term Debt Account Group.
- 4) Capital Projects Funds account for the acquisition and construction of capital facilities (except for those financed by proprietary funds). Primarily general obligation bonds, special assessments, federal and state grants and contributions from other funds finance these funds.

**B. PROPRIETARY FUNDS (2 Types)**

1) Enterprise Funds are established for government activities that are financed and operated in a manner similar to private business. Costs of providing services to the general public are financed through user fees.

2) Internal Service Funds are used to account for the financing of goods and services provided by one department or agency to another department or agency of the City.

**C. FIDUCIARY FUNDS (3 Types)**

These funds are used to account for assets held by a government in a trustee capacity or as an agent for individuals, private organizations, other government and/or other funds. These funds are classified as:

1) Agency Funds are custodial in nature (assets equal liabilities) and do not measure the results of operations.

2) Non-Expendable Trust Funds and Pension Trust Funds are accounted for in essentially the same manner as Proprietary Funds.

3) Expendable Trust Funds are accounted for in essentially the same manner as Governmental Funds.

**ABOUT THE BUDGET AND THE BUDGET PROCESS****I. WHAT IS A BUDGET?**

The budget is a multi-faceted event for City government in Wenatchee. In addition to providing the obvious financial planning and legal authority to obligate public funds, the budget provides significant policy direction by the City Council to the staff and the community. As a result, the City Council, staff and public are all involved in the process of budget development. The budget provides four functions:

**A. A Policy Document**

The budget functions as a policy document in that the decisions made within the budget will "reflect the general principles or plans that guide the actions taken for the future". The specific programs that are described within the budget will be reflective of the plans for the future of the City government as they are approved and put into place. Recognizing this, the budget for the City will work to be a good policy document and make specific attempts to link desired goals and policy direction to the actual day-to-day activities of City staff.

**B. An Operational Tool**

The budget of the City will reflect its operations. More than a numbers document, you will find that the activities of each City function and organization have been planned, debated and formalized within the following sections. This process will help to maintain an understanding of the various operations of the City and how they relate to each other and to the attainment of the policy issues and the goals of the City Council. In this effort, the budget addresses areas, which may not be traditional budget document topics. These include: debt management, staffing levels for now and the future, long-range planning, capital spending plans, the tax base and its relationship to the provision of services. A statistical section is added to provide the additional information sometimes needed to understand the environment of budget deliberations.

**C. A Link with the General Public**

Many times the day-to-day activities of local governments are overlooked until a crisis or critical point is reached. To attempt to gather information from all the various levels of government and their operations would be exhaustive and not very productive. This is true even of the media who spend many hours familiarizing themselves with the differing aspects

of local government. Recognizing this, the budget provides a unique opportunity to allow and encourage public review of City operations. The budget must fully and clearly describe the activities of the City, the reason or cause for those activities, the future implications and the direct relationship to the citizenry. In our budget we have included an introductory section for each department within the general fund and for each fund thereafter.

#### **D. A Legally Required Financial Planning Tool**

The budget is also, of course, a financial planning tool, which has been its most traditional use. In this light, the budget is a state law requirement of all cities as stated in RCW 35A. As a part of the requirement, the budget must be adopted as a balanced budget (although prior years cash carry-forward can be used in this balancing process) and must be in place prior to the expenditure of any City funds. In this light, the budget is the legal authority to expend public moneys and controls those expenditures by limiting the amount of the appropriation at the fund level. The revenues of the City are estimated along with available cash carried-forward to the indicated funds available while the staff requests for appropriations comprise the disbursement side of the preliminary budget.

#### **E. How does the Budget Compare to the Annual Financial Report?**

As previously stated, the budget is an extended and in-depth operational and financial planning process that looks to the future and ultimately leads to the document you are now reading. The annual report is a document that summarizes the financial aspects of the operational activities of the previous year. It is prepared following a strict set of guidelines called generally accepted accounting principles (GAAP) which are established by the Governmental Accounting Standards Board (GASB). Each year the annual report is subjected to review by independent auditors who express an opinion as to the fair presentation of the financial statements included within that document. Throughout the annual report actual revenues and expenditures are compared to budget. The annual report uses the modified accrual basis of accounting for governmental funds and full accrual accounting for proprietary fund types. The budget uses the modified accrual basis of accounting for all funds. This causes the proprietary fund budgets to budget for debt issue, debt service and capital expenditures, which are non-income statement items for the annual report.

### **II. WHY IS A BUDGET PREPARED?**

As previously mentioned, the budget is a requirement of state law. But more than that, the budget for the City of Wenatchee is an important planning process that shapes the future for departmental operations and direction. As a result, much effort is expended to ensure the budget planning process best utilizes available City resources towards the goals and policies established by the Mayor and City Council.

### **III. HOW IS THE BUDGET PREPARED - WHAT IS THE BUDGET PROCESS?**

#### **A. Determining Policies and Goals**

At the beginning of each budget cycle a calendar is developed which sets timelines for the various components of the budget preparation process. The 2010 Budget Calendar is presented at the end of this section.

The budget process for the City of Wenatchee is in many respects an ongoing, year-around activity. The formal budget planning begins each summer with discussions between the Mayor, City Council, and Department Directors as to the current status of on-going programs, new challenges and future considerations. Through these discussions the concerns of the departments are blended with the desired direction for City government on behalf of the City Council. The result is the determination of budget goals and policies for the coming budget year.

**B. Staff Planning and Preparation**

Once the Mayor and City Council have provided the general direction and desired service levels for departmental budgets, the staff can begin to prepare the detailed plans for maintaining the current services where appropriate, deleting outdated services when necessary and planning for the addition of new services to meet the current needs. This involves the Finance Department preparing a guide as to how to prepare the budget from the mechanical side (which forms to use, what rates for inflationary costs, etc.). A meeting of department directors and division managers is then held within each department to review the specific guidelines and to discuss and gain understanding as to the City Council policies and goals. At this point, City staff formulates the individual budget for which they are responsible. These budgets are reviewed and refined by the departmental directors and submitted to the Finance Department for consolidation into one document for review by both the elected body and general public.

**C. City Council and General Public Review**

During the fall of the year the Mayor and Finance Director present the budget to the City Council on at least three separate occasions. Each presentation takes place in a public meeting and Citizens are given the opportunity to comment on the process and the budget itself.

The first budget presentation takes place in early October where a *preliminary unbalanced budget* is presented which reflects revenue estimates for all operations in all funds and all appropriations (expenditure requests) from each City department which includes existing operations, potential expansions of service levels, new programs, new personnel and capital requests. At this point in time the appropriation requests normally far exceed estimated revenues, but the Council has the opportunity to again deliberate priorities of City programs and the related levels of service that they collectively desire. After this meeting the Mayor and Finance Director, with the assistance of department directors, will meet throughout the month of October to examine appropriation requests and determine which will be granted and those that will be either reduced or eliminated altogether.

The second budget presentation takes place in early November where a *preliminary balanced budget* is presented which reflects a budget for all funds where estimated revenues (including estimated beginning fund balances) are expected to equal or exceed appropriations. At this time the Council and citizens again have an opportunity to evaluate whether the budget as presented meets the desired levels of service. Based upon the results of this meeting the Mayor and Finance Director will again reconvene through the month of November to further refine the budget.

The third budget presentation takes place in late November or early December where a *balanced budget* and budget ordinance are presented, and the Council and Citizens are again provided with an opportunity to comment. Provided the budget receives Council endorsement, they will vote to approve the budget ordinance. The Council can however, at its' option, request that the Mayor and City staff continue to work on the budget. The City must have a Council approved budget in place prior to January 1.

**D. Adoption of the Budget**

It is required that a notice of public hearing on the budget be published once a week beginning two weeks prior to the council meeting and for the 2010 Budget this occurred on November 26 and December 3, 2009. A public hearing was then held December 10, 2009 when the budget was adopted.

**E. How can the Budget be Changed After Adoption?**

From beginning to end, the budget development process covers a period of approximately five-months (July through November), and is prepared with the best information we have available at that time. As we proceed through the budget year in question, we sometimes

encounter unforeseen circumstances that result in either a service costing more than we had anticipated, or an expansion of services beyond what we had initially planned for. When possible, we will attempt to accommodate these changes within the existing budget, but this is not always possible. The budget can be changed (amended) by an ordinance approved by the City Council. This process begins with department directors submitting detailed budget amendment requests to the Mayor and/or Council where they may be approved in concept but through no formal legislative action. This allows departments to proceed with their plans prior to the formal Council adoption of an ordinance. Periodically the Finance Department summarizes into ordinance format both the budget amendment motions previously granted as well as those that represent new requests. At that point the Mayor and Council will take action to approve the amendment either in whole or in part. In 2009 the budget was amended twice, on July 30 and December 10.

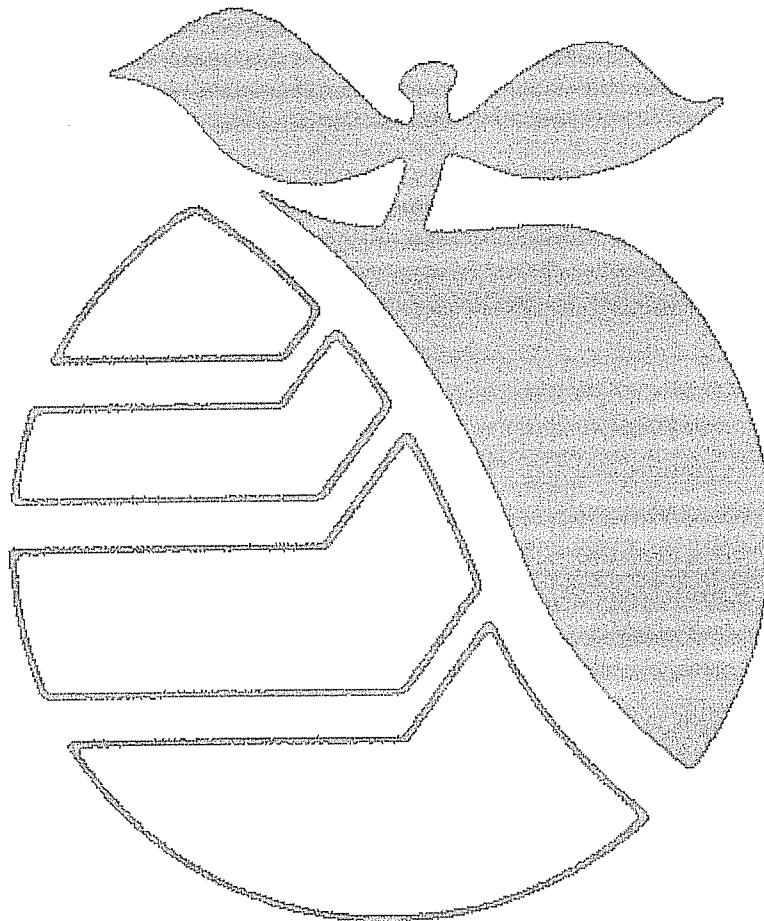
**F. Budget Calendar**

At the beginning of each budget cycle a calendar is developed which sets timelines for the various components of the budget preparation process. The 2010 Budget calendar is presented on the following page.

<b>CITY OF WENATCHEE, WA</b> <b>2010 BUDGET CALENDAR</b>
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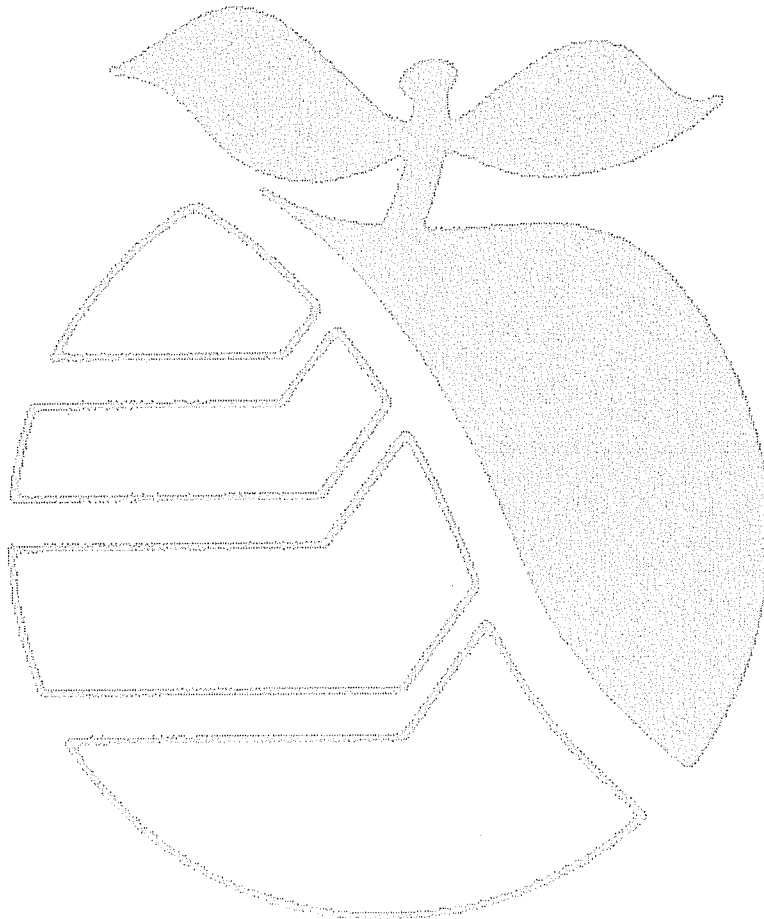
When	What	Who
4/16/2009	Council Work Session Reviewed 2008 results of operations and 2009 financial activity to date. Discussed the need to address the economic downturn with action by mid-summer.	Mayor/Council/ Directors
4/17-6/28	Mayor and Finance meet with Directors to discuss programs and priorities. Directors submit to Finance suggestions to increase revenues, cut expenses and maintain services.	Mayor/Finance/ Directors
6/29/2009	Meeting to discuss local economic conditions and impact on 2009 and 2010 budgets. Reviewed City department suggestions to increase revenues, cut expenses and maintain services.	Council/ Directors
7/30/2009	Council Meeting –Ordinance #2009-24 - 2009 Budget amendment adoption	Mayor/Council/ Directors
8/1/2009	HR provides Finance with results of reclassification of AFSCME wages (section 15.8(d) of AFSCME labor contract)	HR
8/25/2009	Capital request forms returned to Finance.	Departments
9/4/2009	2009 Budget amendment requests due to Finance.	Departments
9/11/2009	Departmental revenue estimates returned to Finance.	Departments
9/17/2009	Council Work Session Review 2009 financial activity through 8/31/2009.	Mayor/Council/ Directors
9/30/2009	Review Preliminary 2010 Budget with Mayor Johnson	Mayor/Finance
10/5/2009	Preliminary 2010 Budget distributed to Council	Finance
10/8/2009	Council Meeting –Review of Preliminary 2010 Budget ( <i>copies available to public</i> )	Mayor/Council/ Directors
10/9-10/30	Budget meetings to follow-up 10/8/2009 Council meeting.	Mayor/Finance/ Directors
10/9-11/6	Preparation of Revised Preliminary 2010 Budget	Finance
11/6/2009	Revised Preliminary 2010 Budget distributed to Council	Finance
11/12/2009	Council Meeting –Review Revised Preliminary 2010 Budget ( <i>copies available to public</i> )	Mayor & Council
11/26/2009	Publish 1st notice of 12/10/2009 public hearing on 2010 Budget	Clerk
12/3/2009	Publish 2nd notice of 12/10/2009 public hearing on 2010 Budget	Clerk
12/3/2009	Publish notice of 12/10/2009 hearing on ad valorem (property) taxes	Clerk
12/7/2009	Final 2010 Budget distributed to Council	Finance
12/10/2009	Council Meeting: –Ordinance #2009-?? - Setting 2010 property tax levy –Ordinance #2009-?? - declaration of "substantial need" to increase prop tax rev by 1% –Resolution #2009-?? - Requesting Chelan County Assessor to collect sufficient funds to address 2010 debt service requirements on the 2001 UTGO (Police Station) bonds. –Ordinance #2009-?? - 2009 Budget amendment adoption –Public hearing on 2009 Budget –Ordinance #2009-?? - 2010 Budget adoption	Mayor & Council
12/21/2009	2010 Budget narratives and changes in organizational charts due to Finance.	Directors, Managers & Staff

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### Part 3. Governmental Revenues



## REVENUE ESTIMATES FOR ALL GOVERNMENTAL FUNDS

This section provides information on the more significant sources of revenue the City of Wenatchee receives in its' governmental funds in a given year. Included herein is a discussion on property taxes, sales taxes and utility taxes, which collectively account for over 78% of General Fund recurring revenues, as well as a variety of other types of major revenue sources. The following table provides information on the types of tax and tax rates charged by the City of Wenatchee over the 5-year period 2006 through 2010:

Major Tax Sources	2006	2007	2008	2009	2010	Maximum Rate
Property Tax (levy / \$1,000)	2.99107	2.67510	2.70205	2.71721	2.44970	3.10000
Sales Tax	0.85%	0.85%	0.85%	0.85%	0.85%	0.85%
1/10th of 1% Criminal Justice	n/a	n/a	0.10%	0.10%	0.10%	0.10%
Electric Utility Tax	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%
Water Utility Tax	15.00%	15.00%	15.00%	15.00%	15.00%	n/a
Sewer Utility Tax	15.00%	15.00%	15.00%	15.00%	15.00%	n/a
Garbage Utility Tax	15.00%	15.00%	15.00%	15.00%	15.00%	n/a
Storm Drain Utility Tax	15.00%	15.00%	15.00%	15.00%	15.00%	n/a
Telephone Utility Tax	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%
Gas Tax	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%
Cable TV Utility Tax	5.00%	5.00%	5.00%	5.00%	5.00%	n/a
Cable TV Franchise Fee	5.00%	5.00%	5.00%	5.00%	5.00%	6.00%
Real Estate Excise Tax	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%

Following is an analysis of those governmental revenues that are most significant to the City of Wenatchee. This presentation is not all-inclusive. These are sources of revenue over which the City of Wenatchee Council have limited control through either the imposition of taxes or fees. The bulk of these are revenues utilized in the operations of the General Fund.

### **PROPERTY TAXES**

**What:** Property tax is a tax on real property for the full-assessed value. Revenue derived from this tax is devoted to the state, cities, counties, schools and libraries. Assessed value is determined by the Chelan County Assessor's Office, which makes a reevaluation of each property every four years. Some categories of property exempt from this tax are business inventories; intangibles, currency, bank deposits, stocks and bonds; household goods and personal items, and certain agriculture, timber mineral or metallic manufactured products.

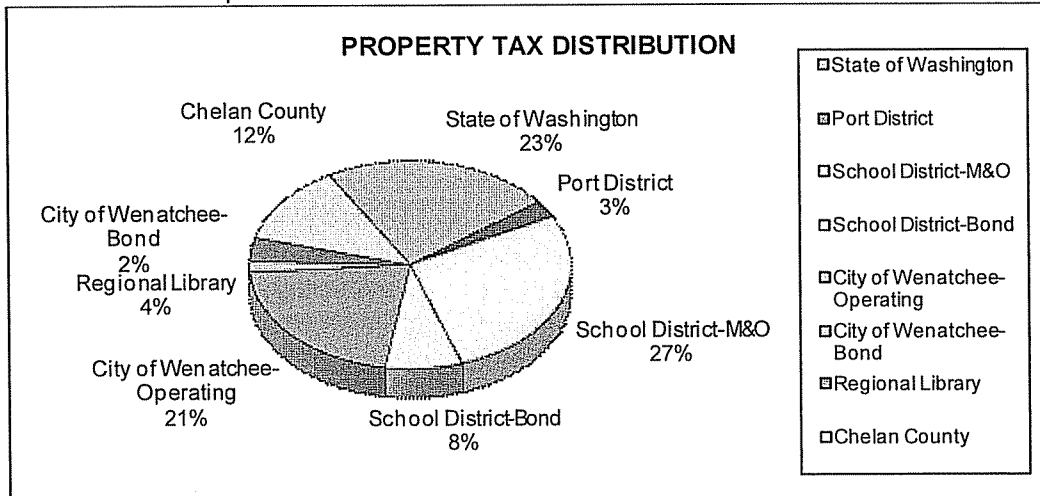
**How Much:** The tax is limited to \$3.60 per thousand dollars of assessed valuation for cities. Additionally, in Wenatchee, the City is annexed to the library district thus making the maximum tax rate available to the City only \$3.10 since \$.50 per thousand goes to the library system.

**Where the revenue is used:** This tax is currently used to support the General Fund and Street Fund. The Council has total discretion as to the use of this tax source. In 2010, the General Fund is to receive 80.46% and the Streets Fund is to receive 19.547% of total allocations.

The following table provides a seven-year summary of information pertaining to property tax levies:

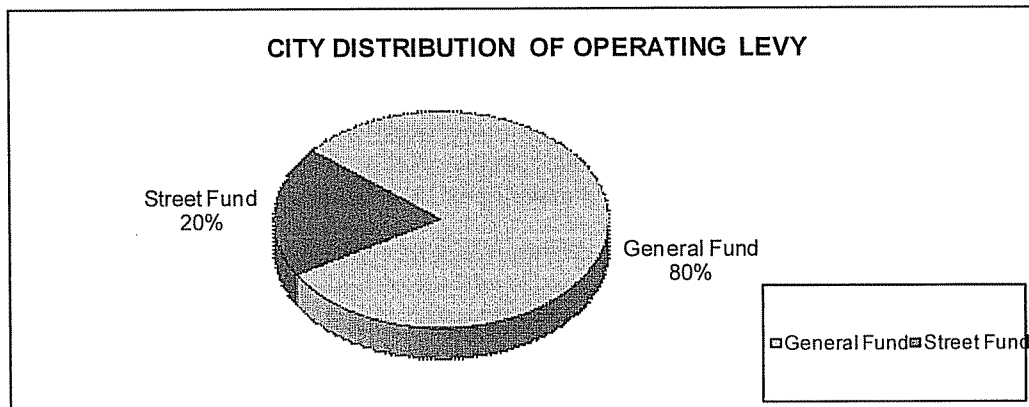
A		B	C	D	E	F	G	
Previous Year Revenue	Current Year Increase	Preliminary Current Year Revenue (=A+(Ax B))	New Construction and Annexations	Total Current Year Revenue (=C+D)	Assessed Value (by Chelan County Assessor)	Levy Rate per \$1,000 of Assessed Value (=E/Fx1,000)	Police Station Construction Levy (per \$1,000)	
<b>2003 levy for 2004 taxes (2004 City Budget)</b>								
\$4,303,191	1.00%	\$4,346,223	\$73,522	\$4,417,194	\$1,458,556,964	\$3.02847	\$0.25470	Phase 3 of Chelan County Assessors Office includes no reassessments in City of Wenatchee.
- Assessed value increased by	\$43,032	\$20,953,989	1.48%				generates a bond	
- Total revenue increased by		\$144,003	2.65%	(including 1% increase and new construction)			payment of \$364,278	
- Rate per \$1,000 increased		\$0.03516	1.17%					
<b>2004 levy for 2005 taxes (2005 City Budget)</b>								
\$4,419,745	1.00%	\$4,463,942	\$128,277	\$4,592,219	\$1,497,299,979	\$3.06700	\$0.24870	Phase 4 of Chelan County Assessors Office includes no reassessments in City of Wenatchee.
- Assessed value increased by	\$44,197	\$38,743,015	2.66%				generates a bond	
- Total revenue increased by		\$175,025	3.96%	(including 1% increase and new construction)			payment of \$368,590	
- Rate per \$1,000 increased		\$0.03853	1.27%					
<b>2005 levy for 2006 taxes (2006 City Budget)</b>								
\$4,592,219	1.00%	\$4,638,141	\$115,492	\$4,753,633	\$1,589,277,760	\$2.99106	\$0.23410	Phase 1 of Chelan County Assessors Office includes reassessments in the City approximately south of Orondo.
- Assessed value increased by	\$45,922	\$91,977,781	6.14%				generates a bond	
- Total revenue increased by		\$164,414	3.51%	(including 1% increase and new construction)			payment of \$367,115	
- Rate per \$1,000 decreased		-\$0.07594	-2.48%					
<b>2006 levy for 2007 taxes (2006 City Budget)</b>								
\$4,753,633	1.00%	\$4,801,169	\$143,834	\$4,945,003	\$1,848,530,303	\$2.67510	\$0.20016	Phase 2 of Chelan County Assessors Office includes reassessments in the City approximately north of Orondo.
- Assessed value increased by	\$47,536	\$259,252,543	16.31%				generates a bond	
- Total revenue increased by		\$194,370	4.03%	(including 1% increase and new construction)			payment of \$365,465	
- Rate per \$1,000 decreased		-\$0.31597	-10.56%					
<b>2007 levy for 2008 taxes (2008 City Budget)</b>								
\$4,945,003	1.00%	\$4,994,630	\$125,206	\$5,119,836	\$1,894,796,901	\$2.70205	\$0.19453	Phase 3 of Chelan County Assessors Office includes no reassessments in City of Wenatchee.
- Assessed value increased by	\$175	\$46,266,598	2.50%				generates a bond	
- Total revenue increased by		\$174,833	3.54%	(includes 1% increase, new construction & annexations)			payment of \$363,153	
- Rate per \$1,000 increased		\$0.02695	1.01%					
<b>2008 levy for 2009 taxes (2009 City Budget)</b>								
\$5,119,836	1.00%	\$5,171,039	\$209,656	\$5,380,695	\$1,980,222,931	\$2.71722	\$0.18736	Phase 4 of Chelan County Assessors Office includes no reassessments in City of Wenatchee.
- Assessed value increased by	\$51,028	\$85,426,030	4.51%				generates a bond	
- Total revenue increased by		\$260,859	5.10%	(includes 1% increase, new construction & annexations)			payment of \$365,653	
- Rate per \$1,000 increased		\$0.04517	0.56%					
<b>2009 levy for 2010 taxes (2010 City Budget)</b>								
Actual 2009 levy		\$5,380,695		\$5,421,342	\$2,213,065,075	\$2.44970 (estimated)	\$0.16518	Phase 1 of Chelan County Assessors Office includes reassessments in the City approximately south of Orondo.
Highest 2009 lawful levy		(\$105,325)					generates a bond	
		\$5,274,370	\$94,228				payment of \$367,778	
- Assessed value increased by	1.00%	\$5,327,114						
- Total revenue increased by		\$232,842,144	11.76%					
- Rate per \$1,000 increased		\$146,972	0.76%	(includes 1% increase, new construction & annexations)				
		-\$0.26752	-9.85%					

The following information reflects an estimate of the property taxes that will be paid by the citizens of Wenatchee in 2010 and is based upon the City of Wenatchee property tax levy adopted by the Wenatchee City Council in December 2009. The City levied \$5,421,342 in general property taxes and an additional \$365,653 to repay bonds issued in 2001 for the construction of a new police station.



Ley Rate per \$1,000 of Assessed Property Value		2010 Revenue	Home w/ Assessed Value of	
		Forecast*	\$ 100,000	\$ 200,000
State of Washington	\$2.63983	\$5,842,000	\$263.98	\$527.97
Port District	0.31118	689,000	31.12	62.24
School District-M&O	3.13960	6,948,000	313.96	627.92
School District-Bond	0.88347	1,955,000	88.35	176.69
City of Wenatchee-Operating	2.44970	5,421,342	244.97	489.94
City of Wenatchee-Bond	0.18564	365,653	18.56	37.13
Regional Library	0.43250	957,000	43.25	86.50
Chelan County	1.41045	3,121,000	141.05	282.09
<b>Total</b>	<b>\$11.45237</b>	<b>\$25,298,995</b>	<b>\$1,145.24</b>	<b>\$2,290.48</b>

\*Forecast is based upon the City of Wenatchee's estimated 2010 levy and the actual levy rates used for all other taxing districts in 2008 (which are the most recent year published by the Chelan County Assessor).



	City Distribution	2010 Revenue Forecast
General Fund	80.46%	\$ 4,362,225
Street Fund	19.54%	\$ 1,059,113
<b>Total</b>	<b>100.00%</b>	<b>\$ 5,421,342</b>

**SALES TAXES**

**What:** Sales/Use tax is a tax collected by businesses on the retail sales of tangible personal property and certain services. Exceptions to the retail sale tax include groceries, prescription drugs, certain government activities, and newspapers. Businesses do not pay sales and use tax on the purchase of materials that are to become components of finished products for sale.

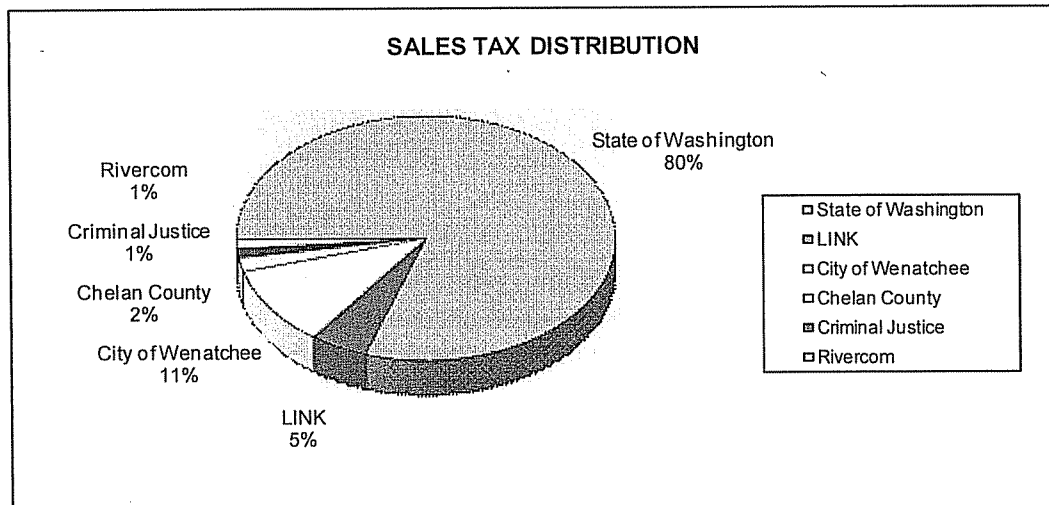
**How Much:** The total tax is 8.1%. Of this, the State collects 6.50%, the City .85%, LINK (for local transit) .40%, Chelan County .15% for operations, Criminal Justice, .10%, Rivercom, .10% for equipment upgrades.

**Where the City's sales tax revenue is used:** The Council has total discretion as to the use of this tax source and has historically dedicated 100% of this tax to support General Fund operations.

The following table summarizes the sales tax revenue (actual and budgeted) for the 5-year period 2006 through 2010:

Sales Taxes	Actual			Budget	Budget
	2006	2007	2008	2009	2010
Tax Received	7,094,639	7,496,140	7,674,703	6,616,041	7,158,200
Percentage Change	12.11%	5.66%	2.38%	-13.79%	8.19%

The following chart reflects an estimate of sales taxes that will be collected throughout the City of Wenatchee in calendar year 2010. The forecast for all entities is based upon a City estimate of 2010 sales tax remittances totaling \$7,158,200.



Sales Tax Collection Rate by Entity within the City of Wenatchee		2010 Revenue Forecast*
State of Washington	6.50%	54,739,000
LINK	0.40%	3,369,000
City of Wenatchee	0.85%	7,158,200
Chelan County	0.15%	1,263,000
Criminal Justice	0.10%	842,000
Rivercom	0.10%	842,000
	<u>8.10%</u>	<u>66,529,200</u>

**CRIMINAL JUSTICE SALES TAX**

RCW 82.14.340 allows the addition of a 1/10<sup>th</sup> of 1% sales tax whose proceeds are to be used exclusively for criminal justice purposes. Proceeds of the tax are to be allocated 10% to the county in which the tax is collected, with the remainder to be distributed to the county and cities within the county ratably based on population. Money received from the tax must be expended exclusively for criminal justice purposes and may not be used to supplant existing funding. Existing funding is defined in the statute as calendar year 1989 actual operating expenditures for criminal justice purposes.

In 1995, Chelan County and the Cities within the County each adopted resolutions (City of Wenatchee Resolution #2035 dated 7/25/1995) authorizing the imposition of this tax with the intent that the proceeds be dedicated to repay LTGO bonds issued by Chelan County for the design and construction of a juvenile detention center. The bonds were issued in 1997 and ultimately retired in their entirety in the latter part of 2007. On December 11, 2007 the Chelan County Commission then approved Resolution #2007-167 which authorized the reimposition of the 1/10<sup>th</sup> of 1% sales tax to finance criminal justice expenditures for the County and all of the Cities within the County.

During the spring of 2008 the Wenatchee City Council held hearings on how the proceeds should be expended keeping in mind that RCW 82.14.340 is very clear in that it requires the proceeds be expended exclusively for criminal justice purposes and may not be used to supplant *existing* funding defined in the statute as calendar year 1989 actual operating expenditures. Given that 2008 expenditures directly attributable to criminal justice activities were anticipated to be \$8,968,410 (including police department operations, Rivercom, the jail, public defender, district court, etc.) and that 1989 expenditures were \$2,591,959, it was clear that the growth of \$6,376,451 significantly exceeded the annual \$600,000 anticipated to be generated by the tax. Based upon this the City found itself in a position where it could chose to retroactively apply the entire proceeds against the \$6.37 million increase incurred since 1989 (essentially liberating the money for other uses), spending all of the money on new or expanded criminal justice programs, or some combination of each. Ultimately, the City Council amended the 2008 Budget to add \$586,750 of General Fund expenditures that were directed toward public safety enhancements including the hiring of two additional police officers and the addition of various pieces of equipment including vehicles and technology related purchases.

The following table summarizes the sales tax revenue (actual and budgeted) for the 5-year period 2006 through 2010:

<b>Criminal Justice Sales Tax</b>	<b>Actual</b>			<b>Budget 2009</b>	<b>Budget 2010</b>
	<b>2006</b>	<b>2007</b>	<b>2008</b>		
Tax Received	0	480,622	739,289	544,000	570,700
Percentage Change	n/a	n/a	n/a	-26.42%	4.91%

**UTILITY TAXES**

What: Utility taxes are applied to utilities providing services within the corporate limits of the City of Wenatchee (i.e. water, sewer, garbage, telephone, electricity, gas and cable television).

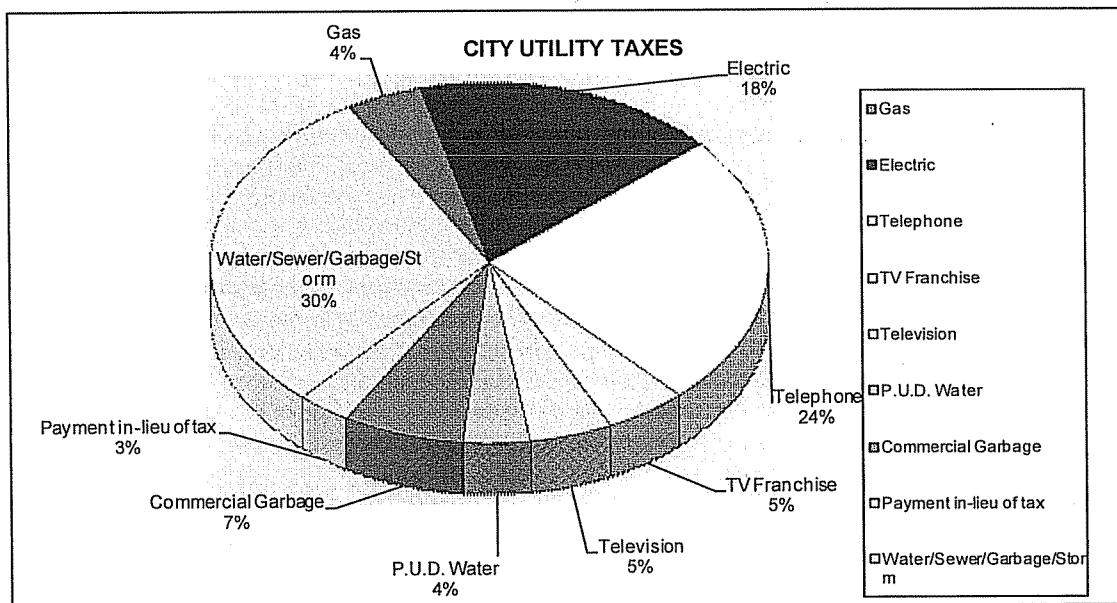
How Much: The tax amount varies from a low of 5% for the cable franchise fee to a high of 15% for water, sewer, storm drain and garbage services

Where the revenue is used: This tax is currently used to benefit only the General Fund. The City Council has total discretion as to the use of this tax source.

The following table summarizes the types and amounts of utility tax revenue (actual and budgeted) for the 5-year period 2006 through 2010:

Utility Taxes	Actual			Budget	Budget
	2006	2007	2008	2009	2010
Gas (6%)	244,685	243,827	233,500	260,000	\$241,000
Electric (6%)	805,500	821,882	868,989	900,000	\$965,000
Telephone (6%)	1,110,050	1,172,030	1,220,304	1,250,000	\$1,333,000
TV Franchise (5%)	214,572	220,640	231,799	247,000	\$260,000
Television (5%)	237,805	249,311	273,941	247,000	\$260,000
P.U.D. Water (15%)	163,807	179,974	191,483	190,000	\$210,000
Commercial Garbage (15%)	344,620	340,503	386,711	375,000	\$385,000
Payment in-lieu of property tax	120,600	119,800	128,800	150,300	\$171,200
Water/Sewer/Garbage/Storm (15%)	1,382,960	1,446,425	1,550,545	1,608,800	\$1,631,800
<b>Total</b>	<b>4,624,599</b>	<b>4,794,392</b>	<b>5,086,073</b>	<b>5,228,100</b>	<b>5,457,000</b>
Percentage Change	5.56%	3.67%	6.08%	2.79%	4.38%

The following charts reflect an estimation of the utility taxes that will be paid by the citizens of Wenatchee in 2009.



City Utility Taxes and Rates	2010 Revenue Forecast
Gas	\$241,000
Electric	\$965,000
Telephone	\$1,333,000
TV Franchise	\$260,000
Television	\$260,000
P.U.D. Water	\$210,000
Commercial Garbage	\$385,000
Payment in-lieu of tax	\$171,200
Water/Sewer/Garbage/Storm	\$1,631,800
<b>Total</b>	<b>\$5,457,000</b>

### **REAL ESTATE EXCISE TAXES**

**What:** A tax on the transfer of real property, which is paid by the seller at the time of closing.

**How Much:** There are two ¼ % portions available to the City totaling ½ of 1% of the sales price of real estate transactions within the City.

- The first ¼ % may be spent towards "local capital improvements" which may include streets, parks, sewers, water mains, swimming pools and gymnasiums, etc.
- The second ¼ % may only be spent towards capital projects of a public works nature such as streets, roads, lighting, water systems, storm and sanitary systems and park *construction or reconstruction* (the acquisition of park land is not permitted for the second ¼ %).

Where the revenue is used: The City of Wenatchee assesses both quarter percents for a total of ½ of 1%:

- The first ¼ % is used to repay a portion (\$167,300 of a \$369,066 payment in 2010) of the 1998 L.T.G.O. Bonds (otherwise known as Councilmanic or non-voted bonds) that were issued to finance street overlays throughout the City plus a variety of other capital projects. This revenue is recorded in the Real Estate Excise Tax Fund (See Part 10-Capital Project Funds-Fund 301).
- The second ¼ % is used to fund the City's ongoing street overlay program (See Part 8-Special Revenue Funds-Fund 111).

The table below summarizes the collections for the first ¼ and second ¼ of 1% Real Estate Excise Tax received (actual and budgeted) for the 5-year period 2006 through 2010:

Real Estate Excise Tax	Actual			Budget 2009	Budget 2010
	2006	2007	2008		
1st 1/4% Tax Received (Fund 301)	573,242	522,363	450,496	241,100	245,900
2nd 1/4% Tax Received (Fund 111)	573,247	522,367	450,498	241,100	245,900
Percentage Change	21.26%	-8.88%	-13.76%	-46.48%	1.99%

### **BUSINESS LICENSES**

What: A license fee for the privilege of conducting business within the City of Wenatchee.

How Much: A graduating scale starting at \$65 per year and increasing based upon the number of employees to a high of \$494 for more than 50 employees.

Where the revenue is used: The revenue is currently used to benefit the General Fund. The table below summarizes the business license revenue received (actual and budgeted) for the 5-year period 2006 through 2010:

Business Licenses	Actual			Budget 2009	Budget 2010
	2006	2007	2008		
License Revenue	184,050	169,134	173,154	169,000	224,900
Percentage Change	14.37%	-8.10%	2.38%	-2.40%	33.08%

### **PLANNING AND BUILDING PERMITS**

What: Permits are granted for building and construction, which accounts for much of this type of revenue received by the City. The permit process is designed to enforce minimum standard codes and the process is partially paid for by the fees charged for issuance of the permits and enforcement of codes. The City also receives permits revenue from the issuance of Fire and Concealed Weapon permits.

How Much: The fees for building and construction are from a complex schedule that includes State assessments. Many permits are based upon the value of construction. The permit fees for Fire and Concealed Weapons are based on a flat fee.

Where the revenue is used: This revenue is currently used to benefit the General Fund. The following table summarized the revenue received (actual and budgeted) for the 5-year period 2006 through 2010:



Planning and Building Permits	Actual			Budget	Budget
	2006	2007	2008	2009	2010
Fees	564,448	486,028	445,844	929,400	513,500
Percentage Change	-8.08%	-13.89%	-8.27%	108.46%	-44.75%

### **CHARGES FOR SERVICES**

What: This category includes all service charges for outside customers and where one department of the City becomes a customer of another. Park fees and service charges are included in this category.

How Much: Charges vary based upon the type of service being delivered.

Where the revenue is used: This source of revenue is typically utilized to recoup the cost of delivery of service. The General Fund is the only governmental fund that provides these types of services and therefore any revenue earned are used to benefit this fund.

Fees charged to the public are based upon predetermined rate schedules. Fees charged for utility administration and engineering services are based upon an estimate of actual time spent on projects for the City's utilities. Engineering services fluctuate from year to year based upon the number and magnitude of construction projects.

Charges for Services	Actual			Budget	Budget
	2006	2007	2008	2009	2010
Miscellaneous Park Fees	86,650	88,894	84,282	74,710	72,500
District Court Admin Fees	20,173	20,316	20,343	40,000	100,300
Zoning/Subdivision/Engineering Svc	49,071	71,286	40,756	50,500	51,700
Engineering Services	397,651	370,172	422,635	463,600	470,800
Utility Administration	815,930	855,690	864,750	923,200	890,400
Recycle Revenue	31,781	23,403	23,061	23,650	23,650
Fire Protection Services	33,468	39,522	48,208	45,000	45,000
Police - School Rsrc & Event Security	58,747	117,324	164,083	148,000	92,500
Community Services	0	0	0	0	33,500
Grounds Maint Svc	0	0	0	41,000	36,000
Total	1,493,471	1,586,607	1,668,117	1,809,660	1,816,350
Percentage Change	7.66%	6.24%	5.14%	8.49%	0.37%

### **FINES & FORFEITS**

What: This category includes all revenues received by the City from fines, forfeitures and/or court assessments. These revenues are primarily generated by the Police Department.

How Much: The amount varies depending upon the infraction.

Where the revenue is used: The revenue derived from fines and forfeitures is used to support General Fund Operations.

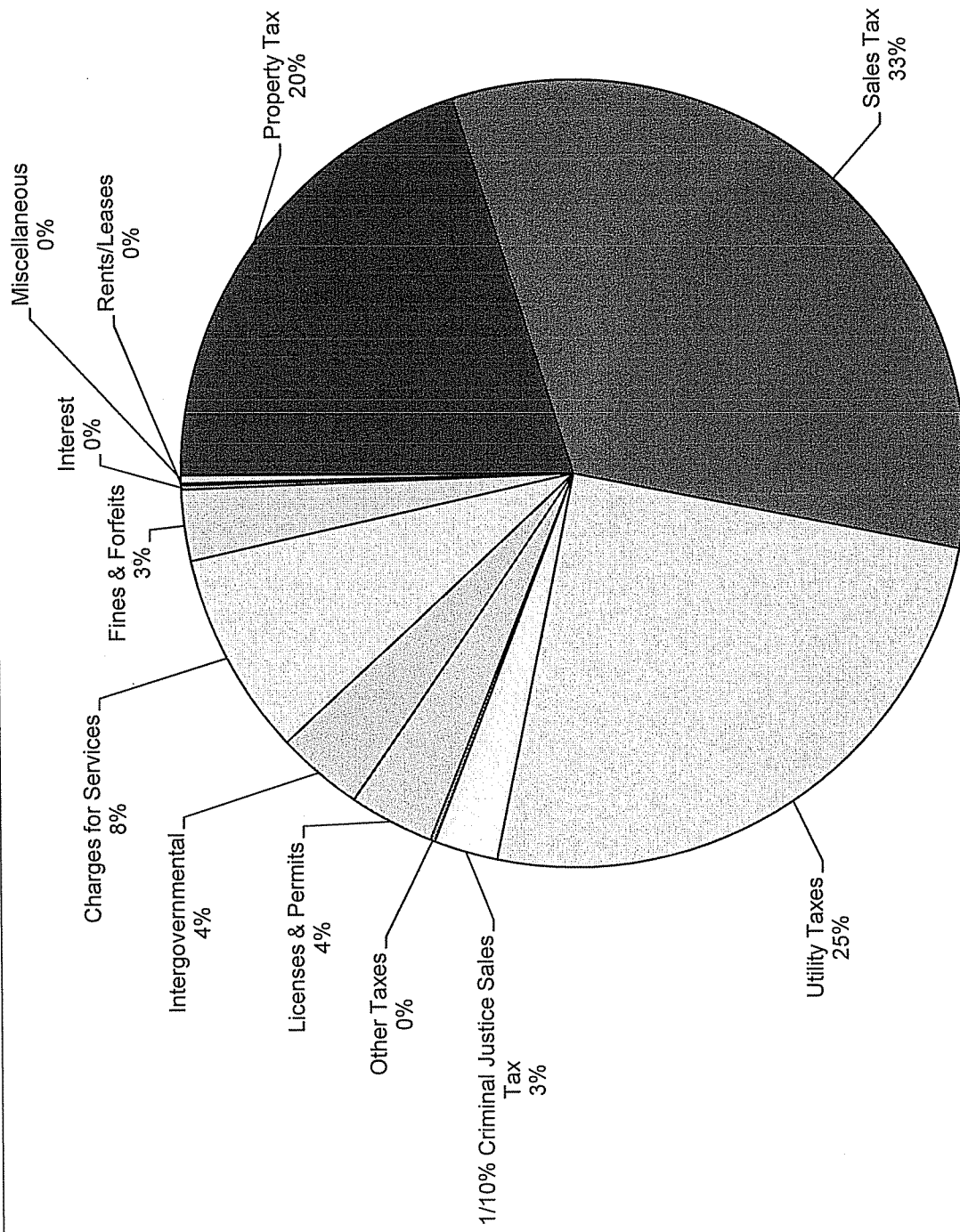
The City of Wenatchee contracts with Chelan County District Court for court services related to non-felony violations and the Chelan County Treasurer collects the fines and remits them to the City on a monthly basis. Although the City actually records revenues by fine type as they are received we do not budget in this manner due to the unpredictability of the revenue sources. The budget simply attempts to put an estimated dollar figure to the total revenues we anticipate we will receive.

Fines & Forfeits	Actual			Budget	Budget
	2006	2007	2008	2009	2010
Fines & Forfeits/District Court	5,064	6,628	3,660	500,000	500,000
Investigative Fund Penalty	8,399	7,715	9,487	0	0
Crime Victim Penalty Assessment	0	335	0	0	0
Proof of Insurance Penalty	1,729	1,690	2,179	0	0
Traffic Infractions	213,996	208,252	221,074	0	0
Non-Parking Infractions	7,903	5,322	4,428	0	0
Parking Infractions	96,520	103,916	100,010	100,000	130,000
DUI Fines	36,493	40,594	47,065	0	0
Other Criminal Traffic Fines	52,505	71,121	87,517	0	0
Other Criminal Non-Traffic Fines	60,218	65,717	67,783	0	0
Court Costs Recouped	16,948	12,565	15,236	0	0
Jury and Witness Costs	363	681	437	0	0
Public Defense Costs	39,979	47,544	61,808	0	0
Total	540,117	572,078	620,685	600,000	630,000
Percentage Change	-11.37%	5.92%	8.50%	-3.33%	5.00%

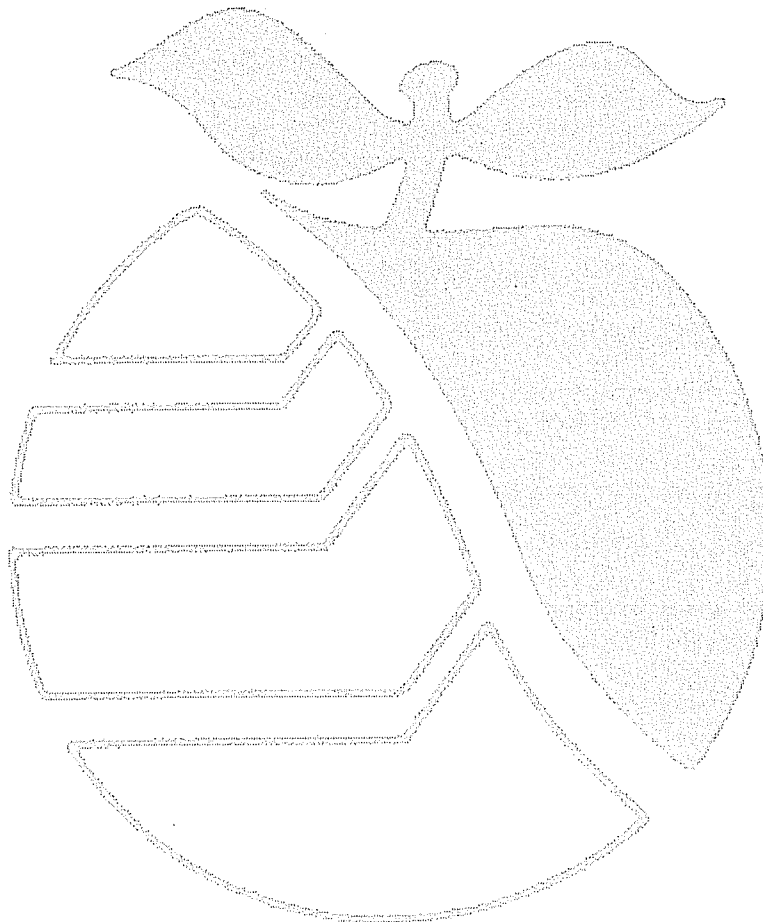
The following table and chart portray a percentage analysis of the anticipated 2010 recurring General Fund revenues:

**CITY OF WENATCHEE, WA**  
**Analysis of 2010 General Fund Budget**  
**Recurring Revenues**

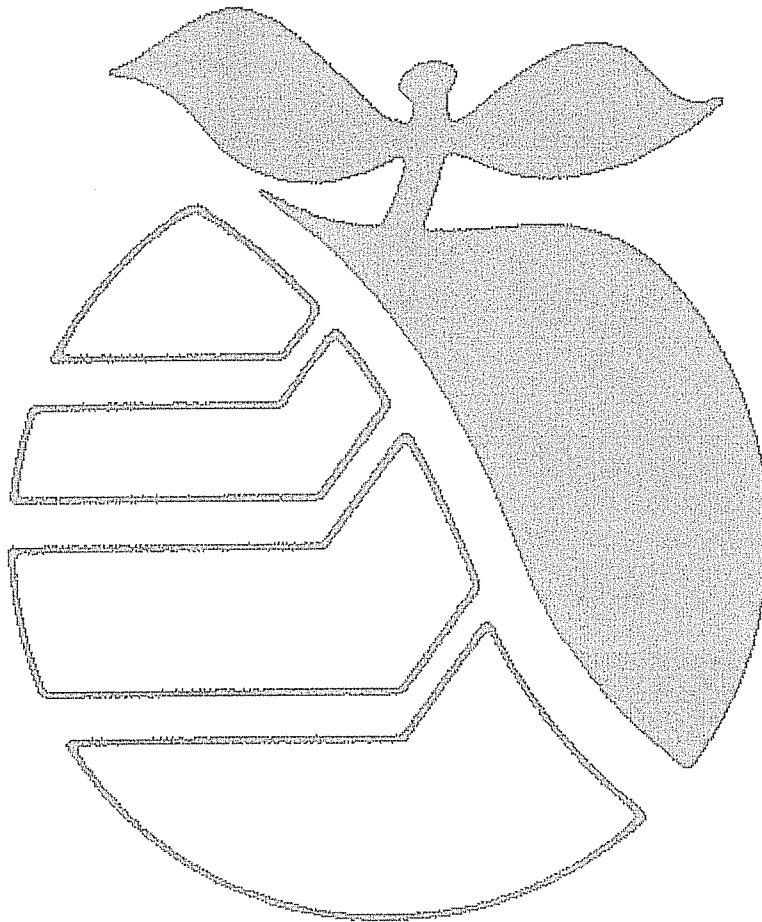
Source	Amount	% of Total	
Property Tax	4,362,225	20.1%	} 78.3%
Sales Tax	7,158,200	33.0%	
Utility Taxes	5,457,000	25.2%	
1/10% Criminal Justice Sales Tax	570,700	2.6%	
Other Taxes	42,000	0.2%	
Licenses & Permits	754,400	3.5%	
Intergovernmental	775,900	3.6%	
Charges for Services	1,816,350	8.4%	
Fines & Forfeits	630,000	2.9%	
Interest	38,000	0.2%	
Rents/Leases	18,700	0.1%	
Miscellaneous	71,500	0.2%	
Total	<u>21,694,975</u>	<u>100.0%</u>	



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## Part 4. Budget Summary



### 2010 Budget Summary

The following pages reflect a summary of the City of Wenatchee's 2010 Budget for each of the 33 funds for which a budget was prepared and adopted via City Ordinance #2009-47 (see part 14 of this document to view the ordinance). Included in this summary are estimated revenues, appropriations (expenditures) and an analysis of either fund balance or working capital balance. We have also included a comparison to the 2009 Amended Budget with an analysis of both dollar and percentage changes for both revenues and expenditures.

Listed below is a brief overview of a number of important points:

- Ordinance #2009-47 adopts the 2010 Budget for 33 City funds for total appropriations (expenditures) of \$53,286,270.

- A comparison of the 2009 and 2010 Budgets as initially adopted is as follows:

Budget for all Funds		Increase (Decrease)		
	2009	2010	\$	%
<i>(As Initially Adopted)</i>				
Operating expenses	43,517,374	45,712,185	2,194,811	5.04%
Capital Expenses	18,331,056	7,574,085	(10,756,971)	(58.68%)
Total appropriations	61,848,430	53,286,270	(8,562,160)	(13.84%)

- A comparison of the General Fund Budget for 2009 as finally amended and 2010 follows:

A Comparison of the General Fund Budget for 2009 and 2010, Financial Information				
General Fund Budget	2009	2010	Increase (Decrease)	
			\$	%
<i>(As Finally Amended)</i>				
Recurring revenues	21,004,933	21,694,975	690,042	3.29%
Recurring expenses	21,747,526	22,389,101	641,575	2.95%

- The 2010 Budget includes 191.82 FTEs as compared to 199.15 FTEs in the 2009 Budget for a net decrease of 7.33 FTEs.

FTE's funded @ 1/1/2009			199.15
2010 Changes			
Department	Position Title	Action	
Mayor's Office	Administrative assistant	eliminated position	(0.83)
Fire	Assistant Chief	vacated through early retirement program	(1.00)
Fire	Firefighter	existing vacancy	(1.00)
Museum	Project Coordinator	vacated through early retirement program	(1.00)
Rec/Pool	Recreation Specialist	reduction at request of employee	(0.50)
Police	Sergeant	vacated through early retirement program	(1.00)
Police	Officer	existing vacancy	(1.00)
Human Resources	Director	eliminated position	(1.00)
Finance	Staff Accountant	added for GWREC PFD (cost recovered through monthly billings)	1.00
Community Development	Director	eliminated position	(1.00)
Total FTE changes			(7.33)
FTE's funded @ 1/1/2010			191.82

- The 2010 Budget includes capital awards of \$7,574,085 partially consisting of:
  - \$ 90,000 for Street Overlays.

- \$ 270,157 to complete the Riverside Drive LID project
- \$5,066,000 for water and sewer capital
- \$ 200,000 for storm drain projects
- \$ 55,000 for regional water projects
- \$1,861,030 for Arterial Street Fund projects

Through the balance of this section:

- Pages 4-3 through 4-17 present a summary by fund of the 2010 Budget as adopted by the City Council on December 10, 2009, as well as the 2009 Budget as amended in July 2009 and finally amended in December 2009.
- Page 4-18 provides a summary of full-time equivalent (FTE) employees by fund over the 10-year period 2001 through 2010 including a description of the specific changes that occurred between 2009 and 2010.
- Pages 4-19 and 4-20 present General Fund recurring revenues by source in both a number and chart format. The chart provides a telling picture of the importance of the tax revenues necessary to provide city services.
- Pages 4-21 and 4-22 present General Fund recurring expenditures by function rather than the typical view of cost by department as presented on page 4-3.



	2009 Budget			2010	Difference	
	As Amended	Amendments	Final	Budget	\$	%
	7/30/2009	& Adjustments				
#001 - GENERAL FUND						
RECURRING REVENUES						
Taxes:						
Property Tax	4,143,212	0	4,143,212	4,362,225	219,013	5.29%
Sales & Use Tax	6,616,041	0	6,616,041	7,158,200	542,159	8.19%
Criminal Justice Sales Tax	600,000	(56,000)	544,000	570,700	26,700	4.91%
Utility Taxes	5,228,100	0	5,228,100	5,457,000	228,900	4.38%
Other Taxes	44,000	0	44,000	42,000	(2,000)	(4.55%)
Total Taxes	16,631,353	(56,000)	16,575,353	17,590,125	1,014,772	6.12%
Other Revenue:						
Licenses & Permits (1)	1,113,400	0	1,113,400	754,400	(359,000)	(32.24%)
Intergovernmental	736,000	61,300	797,300	775,900	(21,400)	(2.68%)
Charges for Services	1,790,160	19,500	1,809,660	1,816,350	6,690	0.37%
Fines & Forfeits (1)	600,000	0	600,000	630,000	30,000	5.00%
Interest	100,500	(59,500)	41,000	38,000	(3,000)	(7.32%)
Rents/Leases/Concessions	15,140	1,980	17,120	18,700	1,580	9.23%
Transfers In - #117	18,600	0	18,600	27,000	8,400	45.16%
Miscellaneous	32,500	0	32,500	44,500	12,000	36.92%
Total Other Revenue	4,406,300	23,280	4,429,580	4,104,850	(324,730)	(7.33%)
Total Recurring Revenues	21,037,653	(32,720)	21,004,933	21,694,975	690,042	3.29%
RECURRING EXPENDITURES						
Mayor / Council	622,964	2,240	625,204	564,508	(60,696)	(9.71%)
Finance	1,002,503	0	1,002,503	1,100,257	97,754	9.75%
Human Resources	209,717	21,447	231,164	133,956	(97,208)	(42.05%)
City Attorney	340,200	0	340,200	340,200	0	0.00%
Code Enforcement	530,531	15,000	545,531	548,278	2,747	0.50%
Planning	608,737	9,404	618,141	519,410	(98,731)	(15.97%)
Engineering	585,239	0	585,239	557,439	(27,800)	(4.75%)
Recreation/Swimming Pool	690,253	5,524	695,777	630,852	(64,925)	(9.33%)
Parks Maintenance	811,068	0	811,068	840,172	29,104	3.59%
Museum	575,447	36,576	612,023	506,617	(105,406)	(17.22%)
Fire	3,721,221	35,387	3,756,608	3,714,689	(41,919)	(1.12%)
Fire - Retiree Medical	257,507	0	257,507	253,000	(4,507)	(1.75%)
Police	6,261,561	72,442	6,334,003	6,232,877	(101,126)	(1.60%)
Police - Retiree Medical	272,493	0	272,493	277,000	4,507	1.65%
Public Defender/District Court	468,700	0	468,700	481,700	13,000	2.77%
Chelan County Regional Jail	1,964,000	0	1,964,000	1,900,000	(64,000)	(3.26%)
Rivercom-Police dispatches	812,500	0	812,500	746,164	(66,336)	(8.16%)
Rivercom-Fire dispatches	76,600	0	76,600	97,641	21,041	27.47%
Civil Service	17,300	0	17,300	19,110	1,810	10.46%
GWRECPFD CLA	0	230,000	230,000	1,591,682	1,361,682	592.04%
Other Administrative	1,490,965	0	1,490,965	1,333,549	(157,416)	(10.56%)
Total Recurring Expenditures	21,319,506	428,020	21,747,526	22,389,101	641,575	2.95%
RECURRING REVENUES OVER (UNDER)						
RECURRING EXPENDITURES	(281,853)	(460,740)	(742,593)	(694,126)		

	2009 Budget			2010 Budget	Difference	
	As Amended 7/30/2009	Amendments & Adjustments	Final		\$	%
<b>GENERAL FUND - continued</b>						
<b>NONRECURRING REVENUES</b>						
Grants - Police	27,900	397,867	425,767	89,000	(336,767)	(79.10%)
Grants - Planning	11,275	0	11,275	0	(11,275)	(100.00%)
Grants - Rec/Pool	0	7,795	7,795	0	(7,795)	(100.00%)
Grants - Fire	94,500	1,726	96,226	0	(96,226)	(100.00%)
Grants - TTC Fence	0	0	0	0	0	#DIV/0!
PFD Reimbursements	0	0	0	0	0	#DIV/0!
WASPC Contribution	46,000	(46,000)	0	0	0	#DIV/0!
Rec Contributions	2,500	0	2,500	0	(2,500)	(100.00%)
Contributions	0	7,480	7,480	0	(7,480)	(100.00%)
Sale of fixed assets	0	10,439	10,439	0	(10,439)	(100.00%)
Insurance recovery	0	1,844	1,844	0	(1,844)	(100.00%)
Transfers In - #103	0	0	0	12,500	12,500	#DIV/0!
Transfers In - #106	0	0	0	350,000	350,000	#DIV/0!
Transfers In - #111	10,000	0	10,000	0	(10,000)	(100.00%)
Transfers In - #504	65,500	0	65,500	0	(65,500)	(100.00%)
Transfers In - #611	358,000	0	358,000	304,000	(54,000)	(15.08%)
Total Revenue	615,675	381,151	996,826	755,500	(241,326)	(24.21%)
<b>NONRECURRING EXPENDITURES</b>						
Police - Grants	27,900	338,133	366,033	42,900	(323,133)	(88.28%)
Fire - Grants	94,500	2,726	97,226	0	(97,226)	(100.00%)
Recreation - Grants	0	7,795	7,795	0	(7,795)	(100.00%)
Fire - operating	10,500	750	11,250	0	(11,250)	(100.00%)
Police - operating	0	1,000	1,000	0	(1,000)	(100.00%)
PFD expenses	0	0	0	0	0	#DIV/0!
Other Administrative	94,400	18,750	113,150	114,400	1,250	1.10%
Capital Outlay	0	0	0	0	0	#DIV/0!
Total Non-Recurring Expenditures	227,300	369,154	596,454	157,300	(439,154)	(73.63%)
<b>NONRECURRING REVENUES OVER (UNDER) NON-RECURRING EXPENDITURES</b>						
	388,375	11,997	400,372	598,200		
<b>EXCESS (DEFICIT) OF TOTAL REVENUES OVER (UNDER) TOTAL EXPENDITURES</b>						
	106,522	(448,743)	(342,221)	(95,926)		
Fund Balance January 1,	3,573,820		3,573,820	3,231,599		
Fund Balance December 31	3,680,342		3,231,599	3,135,673		
<b>Reserve as a percentage of recurring expenditures =</b>						
	17.26%		14.86%	14.01%		

	2009 Budget			2010 Budget	Difference	
	As Amended 7/30/2009	Amendments & Adjustments	Final		\$	%
<b>SPECIAL REVENUE FUNDS</b>						
<b>#101 - PUBLIC ART</b>						
Revenues	22,700	0	22,700	21,000	(1,700)	(7.49%)
Expenditures						
Operating	25,700	0	25,700	15,000	(10,700)	(41.63%)
Capital	19,536	0	19,536	6,000	(13,536)	(69.29%)
Total Expenditures	45,236	0	45,236	21,000	(24,236)	(53.58%)
Revenues over (under) expenditures	(22,536)	0	(22,536)	0		
Fund Balance January 1,	77,904		77,904	55,368		
Fund Balance December 31	55,368		55,368	55,368		
<b>#103 - PATHS AND TRAILS</b>						
Revenues					0	#DIV/0!
MVFT	3,000	0	3,000	2,900	(100)	(3.33%)
Miscellaneous	1,100	(900)	200	0	(200)	(100.00%)
Interfund services	0	10,000	10,000	0	(10,000)	(100.00%)
Agency & individual contribution	0	62,250	62,250	12,500	(49,750)	(79.92%)
Bridge preservation grant	0	500,000	500,000	999,749	499,749	99.95%
Transfers in - #001	0	18,750	18,750	0	(18,750)	(100.00%)
Total Revenues	4,100	590,100	594,200	1,015,149	420,949	70.84%
Expenditures						
Bridge engineering study	0	102,000	102,000	0	(102,000)	(100.00%)
Bridge preservation	0	500,000	500,000	999,749	499,749	99.95%
Transfers out - #001	0	0	0	12,500	12,500	#DIV/0!
Total Expenditures	0	602,000	602,000	1,012,249	410,249	68.15%
Revenues over (under) expenditures	4,100	(11,900)	(7,800)	2,900		
Fund Balance January 1,	13,717		13,717	5,917		
Fund Balance December 31	17,817		5,917	8,817		
<b>#104 - TOURISM PROMOTION AREA</b>						
Revenues	179,900	(20,900)	159,000	162,200	3,200	2.01%
Expenditures	179,900	(20,900)	159,000	162,200	3,200	2.01%
Revenues over (under) expenditures	0	0	0	0		
Fund Balance January 1,	0		0	0		
Fund Balance December 31	0		0	0		

	2009 Budget			2010 Budget	Difference	
	As Amended	Amendments	Final			
	7/30/2009	& Adjustments				
					\$	%
<b>SPECIAL REVENUE FUNDS - Continued</b>						
<b>#106 - CONVENTION CENTER</b>						
Revenues						
Hotel/Motel Tax	388,400	(43,400)	345,000	351,600	6,600	1.91%
Chelan County	65,000	0	65,000	65,000	0	0.00%
West Coast	195,000	(23,100)	171,900	175,300	3,400	1.98%
Miscellaneous	9,201	(2,000)	7,201	7,001	(200)	(2.78%)
Transfers In - #105	218,200	11,219	229,419	201,100	(28,319)	(12.34%)
Total Revenues	875,801	(57,281)	818,520	800,001	(18,519)	(2.26%)
Expenditures						
Operating	415,309	0	415,309	424,492	9,183	2.21%
Capital	75,000	0	75,000	0	(75,000)	(100.00%)
Debt Service	302,418	0	302,418	305,208	2,790	0.92%
Transfer out - #001	0	0	0	350,000	350,000	#DIV/0!
Total Expenditures	792,727	0	792,727	1,079,700	286,973	36.20%
Revenues over (under) expenditures						
	83,074	(57,281)	25,793	(279,699)		
Fund Balance January 1,	583,726		583,726	609,519		
Fund Balance December 31	666,800		609,519	329,820		
<b>#105 - HOTEL/MOTEL TAX - CAPITAL</b>						
Revenues	218,200	(20,100)	198,100	201,100	3,000	1.51%
Expenditures						
Transfers Out - #106	218,200	11,219	229,419	201,100	(28,319)	(12.34%)
Revenues over (under) expenditures						
	0	(31,319)	(31,319)	0		
Fund Balance January 1,	31,319		31,319	0		
Fund Balance December 31	31,319		0	0		
<b>#107 - HOTEL/MOTEL TAX - TOURISM</b>						
Revenues	389,400	(43,500)	345,900	352,600	6,700	1.94%
Expenditures	388,400	(38,400)	350,000	351,600	1,600	0.46%
Revenues over (under) expenditures						
	1,000	(5,100)	(4,100)	1,000		
Fund Balance January 1,	21,632		21,632	17,532		
Fund Balance December 31	22,632		17,532	18,532		

	2009 Budget			2010 Budget	Difference	
	As Amended 7/30/2009	Amendments & Adjustments	Final		\$	%
<b>SPECIAL REVENUE FUNDS - Continued</b>						
<b>#108 - STREETS</b>						
Revenues						
Property Taxes	1,239,015	0	1,239,015	1,059,113	(179,902)	(14.52%)
MVFT	407,600	0	407,600	396,000	(11,600)	(2.85%)
Billed to Storm Drain Fund	163,000	0	163,000	233,000	70,000	42.94%
Billed to Street Overlay	100,000	0	100,000	90,000	(10,000)	(10.00%)
Billed to Water/Sewer Fund	40,000	0	40,000	25,000	(15,000)	(37.50%)
Billed to Capital Projects	0	0	0	15,000	15,000	#DIV/0!
Miscellaneous	24,800	(10,600)	14,200	14,000	(200)	(1.41%)
Total Revenues	1,974,415	(10,600)	1,963,815	1,832,113	(131,702)	(6.71%)
Expenditures						
Operating	1,974,415	0	1,974,415	1,997,313	22,898	1.16%
Capital	90,000	0	90,000	0	(90,000)	(100.00%)
Transfers out - #505	4,600	0	4,600	0	(4,600)	(100.00%)
Total Expenditures	2,069,015	0	2,069,015	1,997,313	(71,702)	(3.47%)
Revenues over (under) expenditures	(94,600)	(10,600)	(105,200)	(165,200)		
Fund Balance January 1,	545,173		545,173	439,973		
Fund Balance December 31	450,573		439,973	274,773		
<b>#109 - ARTERIAL STREETS</b>						
Revenues						
MVFT (\$.0246/gallon)	189,300	0	189,300	183,800	(5,500)	(2.91%)
MVFT (\$.0025+\$.0025/gallon)	121,300	0	121,300	117,900	(3,400)	(2.80%)
Fed Direct	989,034	(989,034)	0	0	0	#DIV/0!
Fed Pass through State	178,929	3,206	182,135	951,012	768,877	422.15%
TIB	3,830,965	(830,612)	3,000,353	818,806	(2,181,547)	(72.71%)
WA State DOT	276,146	(235,824)	40,322	542,824	502,502	1246.22%
Interest	5,000	0	5,000	5,000	0	0.00%
Private contributions	4,136,901	(4,136,901)	0	33,907	33,907	#DIV/0!
Total Revenue	9,727,575	(6,189,165)	3,538,410	2,653,249	(885,161)	(25.02%)
Expenditures						
Capital construction	9,887,427	(5,336,540)	4,550,887	1,861,030	(2,689,857)	(59.11%)
Miscellaneous	0	0	0	0	0	#DIV/0!
Total Expenditures	9,887,427	(5,336,540)	4,550,887	1,861,030	(2,689,857)	(59.11%)
Revenues over (under) expenditures	(159,852)	(852,625)	(1,012,477)	792,219		
Fund Balance January 1,	1,097,484		1,097,484	85,007		
Fund Balance December 31	937,632		85,007	877,226		

	2009 Budget			2010	Difference	
	As Amended 7/30/2009	Amendments & Adjustments	Final	Budget	\$	%
<b>SPECIAL REVENUE FUNDS - Continued</b>						
<b>#110 - LEOFF 1 - LONG-TERM CARE</b>						
Revenues						
Transfer In - #001	101,500	0	101,500	101,500	0	0.00%
Miscellaneous	12,700	0	12,700	6,000	(6,700)	(52.76%)
Total Revenue	114,200	0	114,200	107,500	(6,700)	(5.87%)
Expenditures	149,000	0	149,000	125,000	(24,000)	(16.11%)
Revenues over (under) expenditures	(34,800)	0	(34,800)	(17,500)		
Fund Balance January 1,	537,178		537,178	502,378		
Fund Balance December 31	502,378		502,378	484,878		
<b>#111 - STREET OVERLAY</b>						
Revenues						
2nd 1/4% R.E.E.T.	360,000	(118,900)	241,100	245,900	4,800	1.99%
Miscellaneous	27,300	(21,300)	6,000	5,000	(1,000)	(16.67%)
Total Revenue	387,300	(140,200)	247,100	250,900	3,800	1.54%
Expenditures						
Capital	200,000	0	200,000	90,000	(110,000)	(55.00%)
Transfer out - #001	10,000	0	10,000	0	(10,000)	(100.00%)
Transfer out - #301	0	5,860	5,860	152,920	147,060	2509.56%
Transfer out - #309	80,000	0	80,000	0	(80,000)	(100.00%)
Transfer out - #401	45,000	0	45,000	0	(45,000)	(100.00%)
Total Expenditures	335,000	5,860	340,860	242,920	(97,940)	(28.73%)
Revenues over (under) expenditures	52,300	(146,060)	(93,760)	7,980		
Fund Balance January 1,	605,320		605,320	511,560		
Fund Balance December 31	657,620		511,560	519,540		
<b>#113 - HOUSING REHABILITATION</b>						
Revenues	54,700	(3,200)	51,500	51,000	(500)	(0.97%)
Expenditures	73,500	(30,596)	42,904	87,900	44,996	104.88%
Revenues over (under) expenditures	(18,800)	27,396	8,596	(36,900)		
Fund Balance January 1,	89,699		89,699	98,295		
Fund Balance December 31	70,899		98,295	61,395		

	2009 Budget			2010	Difference	
	As Amended 7/30/2009	Amendments & Adjustments	Final	Budget	\$	%
<b>SPECIAL REVENUE FUNDS - Continued</b>						
<b>#114 - COMMUNITY CENTER OPERATIONS</b>						
Revenues						
Operating	90,100	0	90,100	80,456	(9,644)	(10.70%)
Transfer in - #001.015	20,000	0	20,000	25,000	5,000	25.00%
Interest	6,400	0	6,400	2,000	(4,400)	(68.75%)
Miscellaneous	500	0	500	500	0	0.00%
Total Revenue	117,000	0	117,000	107,956	(9,044)	(7.73%)
Expenditures						
Operating	151,499	0	151,499	148,044	(3,455)	(2.28%)
Transfers out - #505	1,300	0	1,300	0	(1,300)	(100.00%)
Total Expenditures	152,799	0	152,799	148,044	(4,755)	(3.11%)
Revenues over (under) expenditures	(35,799)	0	(35,799)	(40,088)		
Fund Balance January 1,	209,699		209,699	173,900		
Fund Balance December 31	173,900		173,900	133,812		
<b>#115 - CDBG ENTITLEMENT</b>						
Revenues	76,891	0	76,891	0	(76,891)	(100.00%)
Expenditures						
Operating	0	0	0	0	0	#DIV/0!
Capital	76,891	0	76,891	0	(76,891)	(100.00%)
Total Expenditures	76,891	0	76,891	0	(76,891)	(100.00%)
Revenues over (under) expenditures	0	0	0	0		
Fund Balance January 1,	(7,485)		(7,485)	(7,485)		
Fund Balance December 31	(7,485)		(7,485)	(7,485)		
<b>#116 - LEOFF 1 - HEALTH INSURANCE</b>						
Revenues						
Transfer In - #001	530,000	0	530,000	530,000	0	0.00%
Miscellaneous	11,500	0	11,500	6,000	(5,500)	(47.83%)
Total Revenue	541,500	0	541,500	536,000	(5,500)	(1.02%)
Expenditures	580,000	0	580,000	530,000	(50,000)	(8.62%)
Revenues over (under) expenditures	(38,500)	0	(38,500)	6,000		
Fund Balance January 1,	505,201		505,201	466,701		
Fund Balance December 31	466,701		466,701	472,701		

	2009 Budget			2010	Difference	
	As Amended 7/30/2009	Amendments & Adjustments	Final		Budget	\$
<b>SPECIAL REVENUE FUNDS - Continued</b>						
<b>#117 - HOMELESS HOUSING</b>						
Revenues						
Chelan County	210,000	50,000	260,000	300,000	40,000	15.38%
Douglas County	100,000	20,000	120,000	150,000	30,000	25.00%
Grant revenue	0	90,562	90,562	0	(90,562)	(100.00%)
Miscellaneous	4,700	(1,700)	3,000	4,500	1,500	50.00%
Total Revenue	314,700	158,862	473,562	454,500	(19,062)	(4.03%)
Expenditures						
Operating	353,568	(86,298)	267,270	526,052	258,782	96.82%
Transfers out - #001	18,600	4,200	22,800	27,000	4,200	18.42%
Total Expenditures	372,168	(82,098)	290,070	553,052	262,982	90.66%
Revenues over (under) expenditures	(57,468)	240,960	183,492	(98,552)		
Fund Balance January 1,	390,879		390,879	574,371		
Fund Balance December 31	333,411		574,371	475,819		
<b>DEBT SERVICE FUNDS</b>						
<b>#201 - UTGO BONDS</b>						
Revenues	368,253	0	368,253	367,778	(475)	(0.13%)
Expenditures	365,653	0	365,653	367,778	2,125	0.58%
Revenues over (under) expenditures	2,600	0	2,600	0		
Fund Balance January 1,	(16,939)		(16,939)	(14,339)		
Fund Balance December 31	(14,339)		(14,339)	(14,339)		
<b>#205 - COUNCILMANIC (LTGO) BONDS</b>						
Revenue	1,024,812	0	1,024,812	1,018,442	(6,370)	(0.62%)
Expenditures						
Operating	1,016,412	0	1,016,412	1,016,442	30	0.00%
Transfers Out	0	0	0	0	0	#DIV/0!
Total Expenditures	1,016,412	0	1,016,412	1,016,442	30	0.00%
Revenues over (under) expenditures	8,400	0	8,400	2,000		
Fund Balance January 1,	43,140		43,140	51,540		
Fund Balance December 31	51,540		51,540	53,540		



	2009 Budget			2010 Budget	Difference	
	As Amended 7/30/2009	Amendments & Adjustments	Final		\$	%
<b>CAPITAL PROJECTS FUNDS</b>						
<b>#301 - REAL ESTATE EXCISE TAX</b>						
Revenue						
1st 1/4% R.E.E.T.	375,000	(133,900)	241,100	250,900	9,800	4.06%
Interest	100	300	400	0	(400)	(100.00%)
Transfers in - #111	0	5,860	5,860	152,920	147,060	2509.56%
Total Revenues	375,100	(127,740)	247,360	403,820	156,460	63.25%
Expenditures						
Capital Outlay-park site acquisit	100,000	(100,000)	0	0	0	#DIV/0!
Debt Service	406,379	0	406,379	403,820	(2,559)	(0.63%)
Total Expenditures	506,379	(100,000)	406,379	403,820	(2,559)	(0.63%)
Revenues over (under) expenditures	(131,279)	(27,740)	(159,019)	0		
Fund Balance January 1,	159,019		159,019	0		
Fund Balance December 31	27,740		0	0		
<b>#305 RIVERSIDE DRIVE LID</b>						
Revenues	0	2,500,000	2,500,000	270,157	(2,229,843)	(89.19%)
Expenditures	0	2,470,811	2,470,811	270,157	(2,200,654)	(89.07%)
Revenues over (under) expenditures	0	29,189	29,189	0		
Fund Balance January 1,	(29,189)		(29,189)	0		
Fund Balance December 31	(29,189)		0	0		
<b>#309 - ORONDO BOAT MOORAGE</b>						
Revenues						
Grants	428,936	0	428,936	0	(428,936)	(100.00%)
Interlocal - Port	280,000	0	280,000	0	(280,000)	(100.00%)
Transfers in - #111	80,000	0	80,000	0	(80,000)	(100.00%)
Total Revenue	788,936	0	788,936	0	(788,936)	(100.00%)
Expenditures						
Capital	770,000	0	770,000	0	(770,000)	(100.00%)
Miscellaneous	0	0	0	0	0	#DIV/0!
Total Expenditures	770,000	0	770,000	0	(770,000)	(100.00%)
Revenues over (under) expenditures	18,936	0	18,936	0		
Fund Balance January 1,	(18,936)		(18,936)	0		
Fund Balance December 31	0		0	0		
<b>#310 - FOOTHILLS TRAIL</b>						
Revenues	122,869	(18,617)	104,252	31,898	(72,354)	(69.40%)
Expenditures	122,869	(26,898)	95,971	31,898	(64,073)	(66.76%)
Revenues over (under) expenditures	0	8,281	8,281	0		
Fund Balance January 1,	(8,281)		(8,281)	0		
Fund Balance December 31	(8,281)		0	0		

	2009 Budget			2010	Difference	
	As Amended 7/30/2009	Amendments & Adjustments	Final	Budget	\$	%
<b>CAPITAL PROJECTS FUNDS - continued</b>						
<b>#311 - CITY HALL - HVAC/CHAMBER UPGRADES</b>						
Revenues						
LTGO Bond Proceeds	0	0	0	0	0	#DIV/0!
Interest income	233	0	233	0	(233)	(100.00%)
Total Revenue	233	0	233	0	(233)	(100.00%)
Expenditures						
Transfers out - #504	65,500	0	65,500	0	(65,500)	(100.00%)
Revenues over (under) expenditures	(65,267)	0	(65,267)	0		
Fund Balance January 1,	65,267		65,267	0		
Fund Balance December 31	0		0	0		
<b>#312 - CONVENTION CENTER UPGRADES</b>						
Revenues	0	1,200	1,200	0	(1,200)	(100.00%)
Expenditures	0	158,264	158,264	0	(158,264)	(100.00%)
Revenues over (under) expenditures	0	(157,064)	(157,064)	0		
Fund Balance January 1,	157,064		157,064	0		
Fund Balance December 31	157,064		0	0		
<b>#313 - EVENT CENTER - CERB GRANT</b>						
Revenues - CERB grant	0	0	0	1,000,000	1,000,000	#DIV/0!
Expenditures	0	0	0	16,680	16,680	#DIV/0!
Revenues over (under) expenditures	0	0	0	983,320		
Fund Balance January 1,	(983,320)		(983,320)	(983,320)		
Fund Balance December 31	(983,320)		(983,320)	0		

	2009 Budget			2010	Difference	
	As Amended 7/30/2009	Amendments & Adjustments	Final	Budget	\$	%
<b>ENTERPRISE FUNDS</b>						
<b>#401 - WATER / SEWER</b>						
Revenues:						
Operating	8,253,700	0	8,253,700	8,284,900	31,200	0.38%
Non-operating	239,300	(147,300)	92,000	110,225	18,225	19.81%
Bond / Loan Proceeds	0	0	0	8,000,000	8,000,000	#DIV/0!
Transfer in - #111	45,000	0	45,000	0	(45,000)	(100.00%)
Total Revenues	8,538,000	(147,300)	8,390,700	16,395,125	8,004,425	48.82%
Expenses:						
O & M	6,040,026	0	6,040,026	6,114,612	74,586	1.23%
Capital Outlay	4,465,000	(2,113,756)	2,351,244	5,066,000	2,714,756	115.46%
Transfers out - #505	3,000	0	3,000	0	(3,000)	(100.00%)
SRF Loan Interest	100,652	0	100,652	95,529	(5,123)	(5.09%)
SRF Loan Principal	339,231	0	339,231	344,355	5,124	1.51%
Bond Interest	362,405	0	362,405	335,199	(27,206)	(7.51%)
Bond Principal (12/1)	788,509	0	788,509	820,562	32,053	4.07%
Total Expenses	12,098,823	(2,113,756)	9,985,067	12,776,257	2,791,190	27.95%
Change in Net Working Capital	(3,560,823)	1,966,456	(1,594,367)	3,618,868		
Beginning Working Cap.	4,904,085		4,904,085	3,309,718		
Ending Working Cap.	1,343,262		3,309,718	6,928,586		
Bond Coverage			1.45	1.43		
<b>#410 - STORM DRAIN UTILITY</b>						
Revenues:						
Operating	998,100	0	998,100	1,006,700	8,600	0.86%
Grant	0	0	0	46,250	46,250	#DIV/0!
Miscellaneous	29,200	(18,700)	10,500	10,000	(500)	(4.76%)
Total Revenues	1,027,300	(18,700)	1,008,600	1,062,950	54,350	5.39%
Expenses:						
O&M	644,019	0	644,019	708,291	64,272	9.98%
Capital Outlay	495,000	(65,000)	430,000	200,000	(230,000)	(53.49%)
Bond Interest	97,581	0	97,581	90,242	(7,339)	(7.52%)
Bond Principal (12/1)	155,833	0	155,833	165,417	9,584	6.15%
Total Expenses	1,392,433	(65,000)	1,327,433	1,163,950	(163,483)	(12.32%)
Change in Net Working Capital	(365,133)	46,300	(318,833)	(101,000)		
Beginning Working Cap.	544,125		544,125	225,292		
Ending Working Cap.	178,992		225,292	124,292		
Bond Coverage			1.44	1.39		

	2009 Budget			2010	Difference	
	As Amended 7/30/2009	Amendments & Adjustments	Final	Budget	\$	%
<b>ENTERPRISE FUNDS - Continued:</b>						
<b>#415 - REGIONAL WATER</b>						
Revenues						
Operating	1,384,100	0	1,384,100	1,372,900	(11,200)	(0.81%)
Non-operating	44,400	(20,300)	24,100	25,000	900	3.73%
Miscellaneous	0	0	0	0	0	#DIV/0
Total Revenues	1,428,500	(20,300)	1,408,200	1,397,900	(10,300)	(0.73%)
Expenses:						
O&M	494,215	0	494,215	475,404	(18,811)	(3.81%)
Capital Outlay	1,455,000	(439,000)	1,016,000	55,000	(961,000)	(94.59%)
Bond Interest	34,838	0	34,838	24,105	(10,733)	(30.81%)
Bond Principal (12/1)	355,242	0	355,242	367,356	12,114	3.41%
Transfers out - #503	10,000	0	10,000	0	(10,000)	(100.00%)
Transfers out - #505	1,800	0	1,800	0	(1,800)	(100.00%)
Total Expenses	2,351,095	(439,000)	1,912,095	921,865	(990,230)	(51.79%)
Change in Net Working Capital	(922,595)	418,700	(503,895)	476,035		
Beginning Working Cap.	2,192,457		2,192,457	1,688,562		
Ending Working Cap.	1,269,862		1,688,562	2,164,597		
Bond Coverage			2.34	2.36		
<b>#420 - SOLID WASTE</b>						
Revenues						
Operating	1,849,300	0	1,849,300	1,852,600	3,300	0.18%
Non-operating	3,900	0	3,900	2,000	(1,900)	(48.72%)
Total Revenues	1,853,200	0	1,853,200	1,854,600	1,400	0.08%
Expenses						
O & M	1,831,870	0	1,831,870	1,837,790	5,920	0.32%
Transfers Out	0	0	0	0	0	#DIV/0!
Total Expenses	1,831,870	0	1,831,870	1,837,790	5,920	0.32%
Change in Net Working Capital	21,330	0	21,330	16,810		
Beginning Working Cap.	193,098		193,098	214,428		
Ending Working Cap.	214,428		214,428	231,238		
<b>#430 - CEMETERY</b>						
Revenues						
Operating	148,250	0	148,250	193,430	45,180	30.48%
Miscellaneous	2,400	0	2,400	1,800	(600)	(25.00%)
Transfers In - #001 for operation	60,000	0	60,000	20,000	(40,000)	(66.67%)
Transfers In - #001 for capital	0	0	0	0	0	#DIV/0!
Total Revenues	210,650	0	210,650	215,230	4,580	2.17%
Expenses:						
O & M	274,373	0	274,373	229,536	(44,837)	(16.34%)
Capital Outlay	0	0	0	0	0	#DIV/0!
Total Expenses	274,373	0	274,373	229,536	(44,837)	(16.34%)
Change in Net Working Capital	(63,723)	0	(63,723)	(14,306)		
Beginning Working Cap.	118,602		118,602	54,879		
Ending Working Cap.	54,879		54,879	40,573		

	2009 Budget			2010 Budget	Difference	
	As Amended 7/30/2009	Amendments & Adjustments	Final		\$	%
<b>INTERNAL SERVICE FUNDS</b>						
<b>#501 - CITY SERVICES - Equip. O&amp;M</b>						
Revenues						
Operating	875,624	0	875,624	797,002	(78,622)	(8.98%)
Fire truck replacement	0	0	0	0	0	#DIV/0!
Non-operating	22,800	(12,500)	10,300	10,000	(300)	(2.91%)
Total Revenue	898,424	(12,500)	885,924	807,002	(78,922)	(8.91%)
Expenses:						
O & M	898,702	0	898,702	819,006	(79,696)	(8.87%)
Capital Outlay	10,000	0	10,000	0	(10,000)	(100.00%)
Miscellaneous	0	0	0	0	0	#DIV/0!
Total Expenses	908,702	0	908,702	819,006	(89,696)	(9.87%)
Change in Net Working Capital	(10,278)	(12,500)	(22,778)	(12,004)		
Beginning Working Cap.	264,468		264,468	241,690		
Ending Working Cap.	254,190		241,690	229,686		
<b>#503 - CITY SERVICES - Equip. Replacement</b>						
Revenues						
Operating	236,130	0	236,130	537,253	301,123	127.52%
Non-operating	25,200	(13,200)	12,000	12,000	0	0.00%
Transfers in - #415	10,000	0	10,000	0	(10,000)	(100.00%)
Miscellaneous	0	0	0	0	0	#DIV/0!
Total Revenue	271,330	(13,200)	258,130	549,253	291,123	112.78%
Expenses:						
O & M	38,645	0	38,645	38,722	77	0.20%
Capital Outlay	385,926	(169,547)	216,379	0	(216,379)	(100.00%)
Miscellaneous	0	0	0	0	0	#DIV/0!
Total Expenses	424,571	(169,547)	255,024	38,722	(216,302)	(84.82%)
Change in Net Working Capital	(153,241)	156,347	3,106	510,531		
Beginning Working Cap.	998,452		998,452	1,001,558		
Ending Working Cap.	845,211		1,001,558	1,512,089		

	2009: Budget			2010	Difference	
	As Amended 7/30/2009	Amendments & Adjustments	Final	Budget	\$	%
<b>INTERNAL SERVICE FUNDS - Continued</b>						
<b>#504 - CITY SERVICES - Facilities</b>						
Revenues						
Operating	331,481	0	331,481	342,242	10,761	3.25%
Child Care Center Rent	6,300	0	6,300	6,300	0	0.00%
Non-operating	5,400	0	5,400	1,700	(3,700)	(68.52%)
Transfer in - #311	65,500	0	65,500	0	(65,500)	(100.00%)
Total Revenue	408,681	0	408,681	350,242	(58,439)	(14.30%)
Expenses:						
O & M	331,332	0	331,332	341,042	9,710	2.93%
Transfers out - #001	65,500	0	65,500	0	(65,500)	(100.00%)
Capital Outlay	0	0	0	0	0	#DIV/0!
Total Expenses	396,832	0	396,832	341,042	(55,790)	(14.06%)
Change in Net Working Capital	11,849	0	11,849	9,200		
Beginning Working Cap.	132,494		132,494	144,343		
Ending Working Cap.	144,343		144,343	153,543		
<b>#502 - SELF - INSURANCE</b>						
Revenues:						
Property/Casualty	1,068,200	0	1,068,200	849,000	(219,200)	(20.52%)
Interest	65,000	(45,000)	20,000	15,000	(5,000)	(25.00%)
Insurance recoveries	0	32,000	32,000	0	(32,000)	(100.00%)
Total Revenue	1,133,200	(13,000)	1,120,200	864,000	(256,200)	(22.87%)
Expenses:						
Insurance Premiums	609,700	80,700	690,400	759,000	68,600	9.94%
Payments to Claimants/Misc	105,000	85,000	190,000	105,000	(85,000)	(44.74%)
Miscellaneous	0	0	0	0	0	#DIV/0!
Total Expenses	714,700	165,700	880,400	864,000	(16,400)	(1.86%)
Change in Net Working Capital	418,500	(178,700)	239,800	0		
Beginning Working Cap.	1,399,689		1,399,689	1,639,489		
Ending Working Cap.	1,818,189		1,639,489	1,639,489		
<b>#505 - INFORMATION TECHNOLOGY</b>						
Revenues						
Operating	796,750	0	796,750	819,160	22,410	2.81%
Non-operating	9,500	0	9,500	2,100	(7,400)	(77.89%)
Cable TV Capital Contributions	1,800	0	1,800	1,500	(300)	(16.67%)
Transfers In - #108	4,600	0	4,600	0	(4,600)	(100.00%)
Transfers In - #114	1,300	0	1,300	0	(1,300)	(100.00%)
Transfers In - #401	3,000	0	3,000	0	(3,000)	(100.00%)
Transfers In - #415	1,800	0	1,800	0	(1,800)	(100.00%)
Total Revenue	818,750	0	818,750	822,760	4,010	0.49%
Expenses:						
O & M	826,932	0	826,932	818,218	(8,714)	(1.05%)
Capital Outlay	42,000	0	42,000	0	(42,000)	(100.00%)
Total Expenses	868,932	0	868,932	818,218	(50,714)	(5.84%)
Change in Net Working Capital	(50,182)	0	(50,182)	4,542		
Beginning Working Cap.	205,403		205,403	155,221		
Ending Working Cap.	155,221		155,221	159,763		

	2009 Budget			2010	Difference	
	As Amended	Amendments	Final	Budget	\$	%
	7/30/2009	& Adjustments				
<b>FIDUCIARY FUNDS</b>						
<b>#610 - CEMETERY TRUST</b>						
Revenues	28,000	0	28,000	31,756	3,756	13.41%
Expenses	0	0	0	0	0	#DIV/0!
Revenues over (under) expenditures	28,000	0	28,000	31,756		
Fund Balance January 1,	765,933		765,933	793,933		
Fund Balance December 31	793,933		793,933	825,689		
<b>#611 - FIREMEN'S PENSION</b>						
Revenues						
Fire Insurance Premium	28,000	0	28,000	26,800	(1,200)	(4.29%)
Miscellaneous	80,800	(45,600)	35,200	30,000	(5,200)	(14.77%)
Total Revenue	108,800	(45,600)	63,200	56,800	(6,400)	(10.13%)
Expenses						
Operating	152,200	0	152,200	145,600	(6,600)	(4.34%)
Transfers out - #001	358,000	0	358,000	304,000	(54,000)	(15.08%)
Total Expenses	510,200	0	510,200	449,600	(60,600)	(11.88%)
Revenues over (under) expenditures	(401,400)	(45,600)	(447,000)	(392,800)		
Fund Balance January 1,	3,437,235		3,437,235	2,990,235		
Fund Balance December 31	3,035,835		2,990,235	2,597,435		

**City of Wenatchee**  
**Full Time Equivalent Employee Comparison**

	2001 Budget	2002 Budget	2003 Budget	2004 Budget	2005 Budget	2006 Budget	2007 Budget	2008 Budget	2009 Budget	2010 Budget
<b>General Fund</b>										
<b>Excluding Public Safety</b>										
Mayor's Office	3.00	3.00	3.00	3.00	3.000	3.000	4.500	4.500	3.830	3.000 <sup>(1)</sup>
City Administrator	0.00	0.00	0.00	0.00	0.000	0.000	0.000	0.000	0.000	0.000
Finance	11.00	10.50	10.50	10.50	10.500	11.500	11.500	11.000	11.000	12.000 <sup>(6)</sup>
Human Resources	2.00	2.00	2.00	2.00	2.000	2.000	2.000	2.000	2.000	1.000 <sup>(7)</sup>
Code Enforcement	5.00	4.00	4.00	4.00	4.000	4.000	4.000	4.000	6.000	6.000
Planning	6.00	6.00	6.00	6.00	6.000	5.640	8.040	8.020	6.020	5.020 <sup>(8)</sup>
Engineering	6.75	5.75	5.25	5.10	5.375	5.375	5.525	5.250	5.250	5.250
Parks & Recreation	11.05	10.10	0.00	0.00	0.000	0.000	0.000	0.000	0.000	0.000
Recreation & Swimming Pool	0.00	0.00	2.35	2.35	2.350	2.850	3.225	3.600	3.600	3.100 <sup>(2)</sup>
Park Maintenance	0.00	0.00	7.55	7.55	7.575	7.575	7.575	7.450	7.450	7.450
Museum	7.00	6.00	4.80	4.80	4.800	5.800	6.000	6.000	6.000	5.000 <sup>(3)</sup>
Total excluding public safety	51.80	47.35	45.45	45.30	45.600	47.740	52.365	51.820	51.150	47.820
<b>Fire</b>										
Fire Administration	2.50	2.00	2.00	2.00	2.000	2.000	2.000	2.000	2.000	2.000
Firefighters	33.00	34.00	34.00	34.00	34.000	34.000	34.000	34.000	34.000	32.000 <sup>(4)</sup>
Fire-911 Dispatchers	0.00	0.00	0.00	0.00	0.000	0.000	0.000	0.000	0.000	0.000
Total Fire Department	35.50	36.00	36.00	36.00	36.000	36.000	36.000	36.000	36.000	34.000
<b>Police</b>										
Police Officers	** 38.00	39.00	39.00	40.00	40.000	40.000	42.000	42.000	43.000	41.000 <sup>(5)</sup>
Admin. Support	1.00	1.00	1.00	1.00	1.000	1.000	1.000	1.000	1.000	1.000
Parking Enforcement	1.00	1.00	1.00	1.00	1.000	1.000	1.000	1.000	1.000	1.000
Dispatch & Records Supervisor	1.00	1.00	1.00	1.00	1.000	1.000	1.000	1.000	1.000	1.000
Clerks/Records/Evidence	6.00	5.00	5.00	6.00	7.000	8.000	8.000	8.000	8.000	8.000
Dispatchers	13.00	14.00	13.00	6.50	0.000	0.000	0.000	0.000	0.000	0.000
Total Police Department	60.00	61.00	60.00	55.50	50.000	51.000	53.000	53.000	54.000	52.000
General Fund Total	147.30	144.35	141.45	136.80	131.600	134.740	141.365	140.820	141.150	133.820
<b>All Other Funds</b>										
Criminal Justice Fund	** 2.00	0.00	0.00	0.00	0.000	0.000	0.000	0.000	0.000	0.000
Convention Center Fund	1.35	1.35	1.30	1.30	1.800	1.875	2.125	2.100	2.100	2.100
Streets Fund	12.10	12.10	11.80	11.80	11.000	11.900	12.800	13.000	13.080	13.080
Ice Arena Fund	0.95	0.90	0.75	0.75	0.750	0.750	0.375	0.000	0.000	0.000
Housing Rehabilitation	0.00	0.00	0.00	0.00	0.00	0.00	0.270	0.000	0.000	0.000
Community Center Operations	0.00	0.00	0.00	0.00	0.00	0.00	0.500	0.950	1.000	1.000
CDBG Entitlement	0.00	0.00	0.00	0.00	0.00	0.00	0.230	0.050	0.000	0.000
Water/Sewer Fund	22.35	22.35	22.15	23.15	23.400	23.400	24.050	25.200	25.070	25.070
Regional Water Fund	1.45	1.45	1.45	1.55	1.450	1.450	1.450	1.450	1.500	1.500
Sanitation Fund	0.00	0.00	0.00	0.00	0.000	0.000	0.000	0.000	0.000	0.000
Storm Drain Fund	0.10	0.10	0.10	0.15	2.350	1.450	1.850	2.300	2.300	2.300
Cemetery Fund	2.00	2.00	2.05	2.05	2.050	2.050	2.050	2.050	2.050	2.050
Equip Rental - O & M Fund	3.65	3.65	3.65	3.65	3.700	3.500	3.800	3.750	3.750	3.750
Equip Rental - Replacement Fund	0.25	0.25	0.15	0.15	0.200	0.250	0.450	0.440	0.440	0.440
Facilities Maintenance Fund	2.00	2.00	1.95	1.95	2.500	2.575	2.825	2.710	2.710	2.710
Data Processing Fund	2.00	2.00	2.00	2.00	2.500	4.000	4.000	4.000	4.000	4.000
Columbia River Drug Task Force Fund										
Police Officers	** 1.00	1.00	1.00	1.00	1.000	0.000	0.000	0.000	0.000	0.000
Admin. Support	1.00	1.00	1.00	1.00	1.000	0.000	0.000	0.000	0.000	0.000
Total excluding general fund	52.20	50.15	49.35	50.50	53.700	53.200	56.775	58.000	58.000	58.000
Total Full Time Equivalent Employees	199.50	194.50	190.80	187.30	185.300	187.940	198.140	198.820	199.150	191.820
** Total police officers	41.00	40.00	40.00	41.00	41.00	40.00	42.00	42.00	43.00	41.00

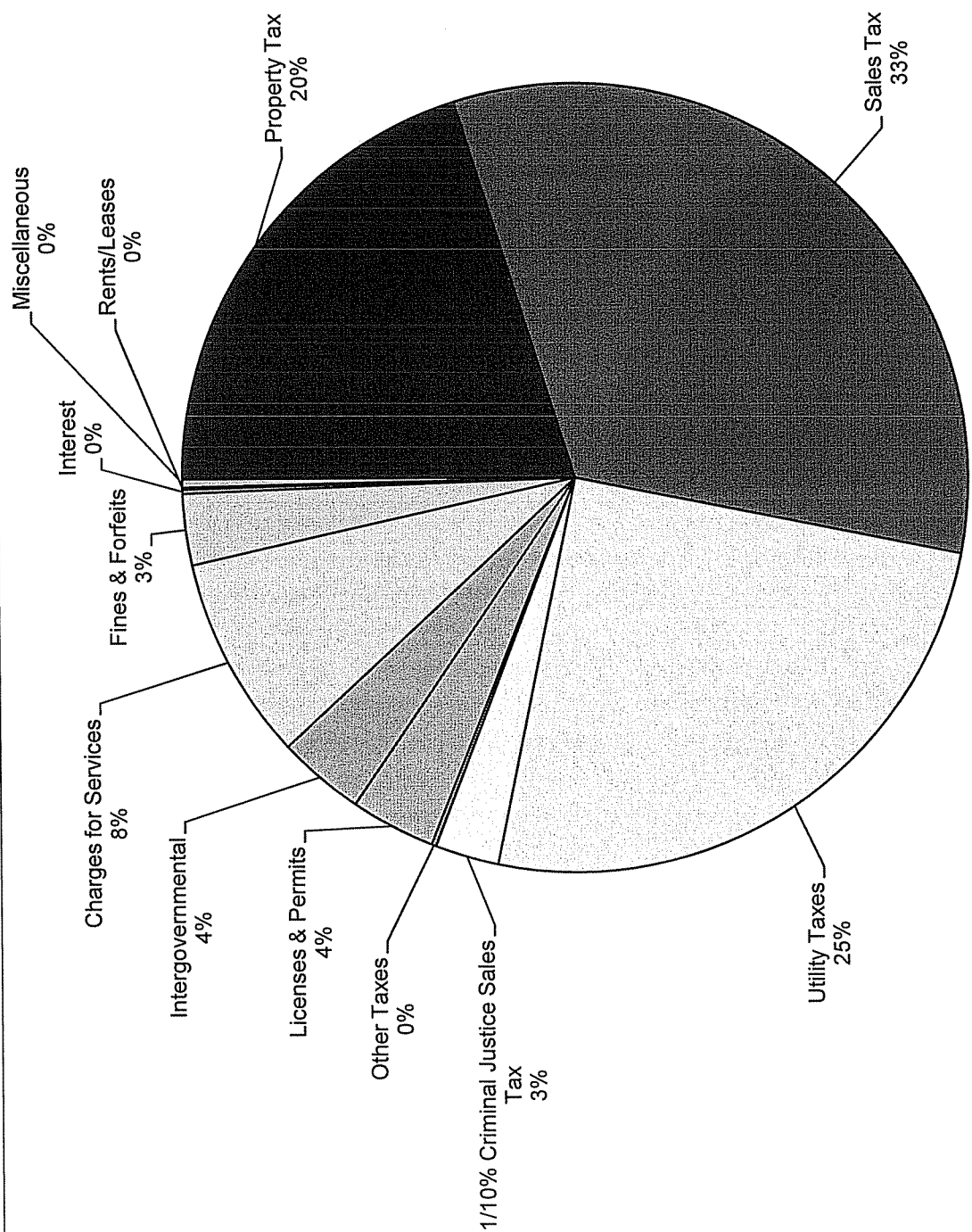
**FTE Changes from 2009 Budget Adoption to 2010 Budget Request**

- (1) Reflects the elimination of the Administrative Assistant position = -.83 FTE.
- (2) Reflects the Recreation Specialist request to adjust hours to 1/2 time = -.50 FTE
- (3) Reflects the Museum Project Coordinator accepting the 2009 voluntary retirement program = -1.0 FTE
- (4) Reflects the elimination of one firefighter position through attrition + an Assistant Chief accepting the 2009 voluntary retirement program = -2.0 FTE
- (5) Reflects the elimination of one police officer position through attrition + a Sergeant position that will be vacated through a future promotion of a Sergeant into the position of Captain (position vacated at the end of 2009 through acceptance of the voluntary retirement program = -2.0 FTE
- (6) Reflects the addition of a Staff Accountant position (+1.0 FTE) cost of which will be recovered through billings to the GWREC PFD.
- (7) Reflects the elimination of the Human Resources Director position = 1.0 FTE.
- (8) Reflects the elimination of the Community Development Director position = 1.0 FTE



**CITY OF WENATCHEE, WA**  
**Analysis of 2010 General Fund Budget**  
***Recurring Revenues***

Source	Amount	% of Total	
Property Tax	4,362,225	20.1%	} 78.3%
Sales Tax	7,158,200	33.0%	
Utility Taxes	5,457,000	25.2%	
1/10% Criminal Justice Sales Tax	570,700	2.6%	
Other Taxes	42,000	0.2%	
Licenses & Permits	754,400	3.5%	
Intergovernmental	775,900	3.6%	
Charges for Services	1,816,350	8.4%	
Fines & Forfeits	630,000	2.9%	
Interest	38,000	0.2%	
Rents/Leases	18,700	0.1%	
Miscellaneous	71,500	0.2%	
Total	<u>21,694,975</u>	<u>100.0%</u>	



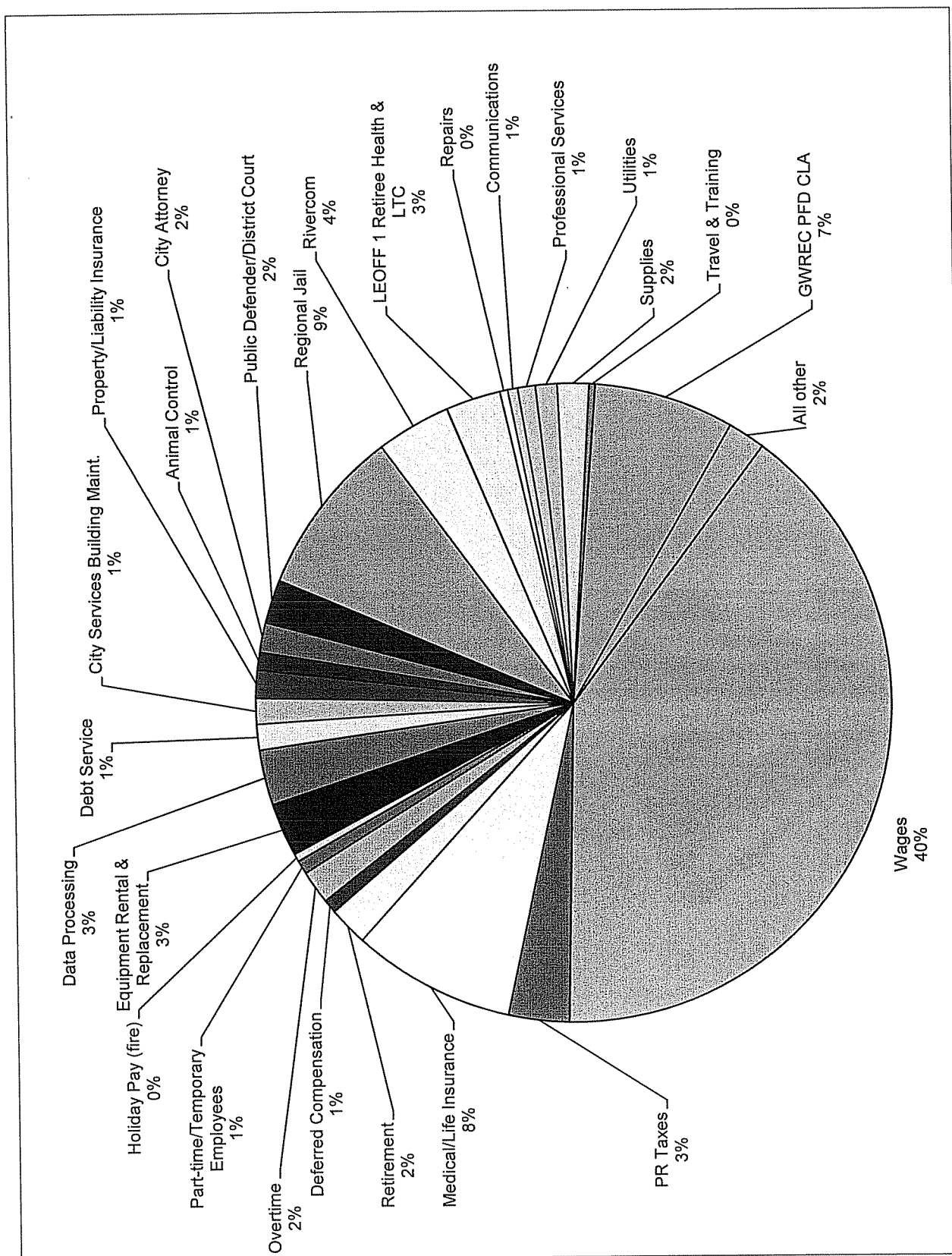
**CITY OF WENATCHEE, WA**  
**Analysis of 2010 General Fund Budget**  
**Recurring Expenditures**

Payroll related expenditures

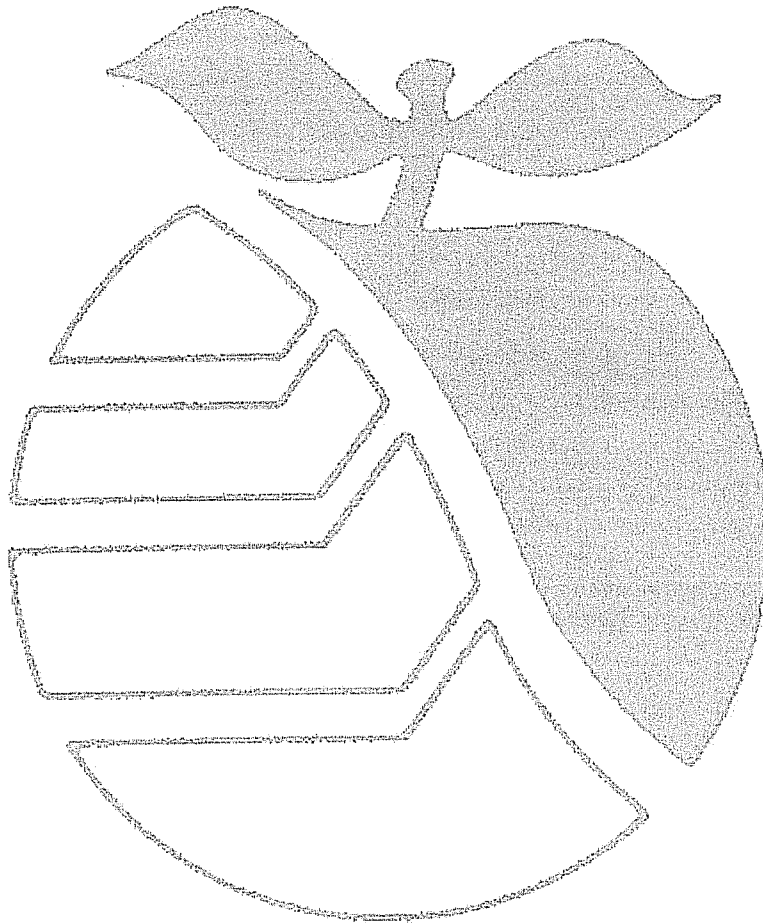
Wages	8,967,078	40.1%	}	OT	
PR Taxes	688,199	3.1%			Fire 145,000
Medical/Life Insurance	1,854,932	8.3%			Police 218,200
Retirement	456,828	2.0%			<u>363,200</u>
Deferred Compensation	159,752	0.7%			
Overtime	378,900	1.7%	}	Part-time	
Part-time/Temporary Employees	149,210	0.7%			Rec 65,150
Holiday Pay (fire)	80,300	0.4%			Pool 52,060
Total payroll related	<u>12,735,199</u>	<u>56.9%</u>			Parks 32,000
					<u>Engineer 149,210</u>

Non-payroll related expenditures

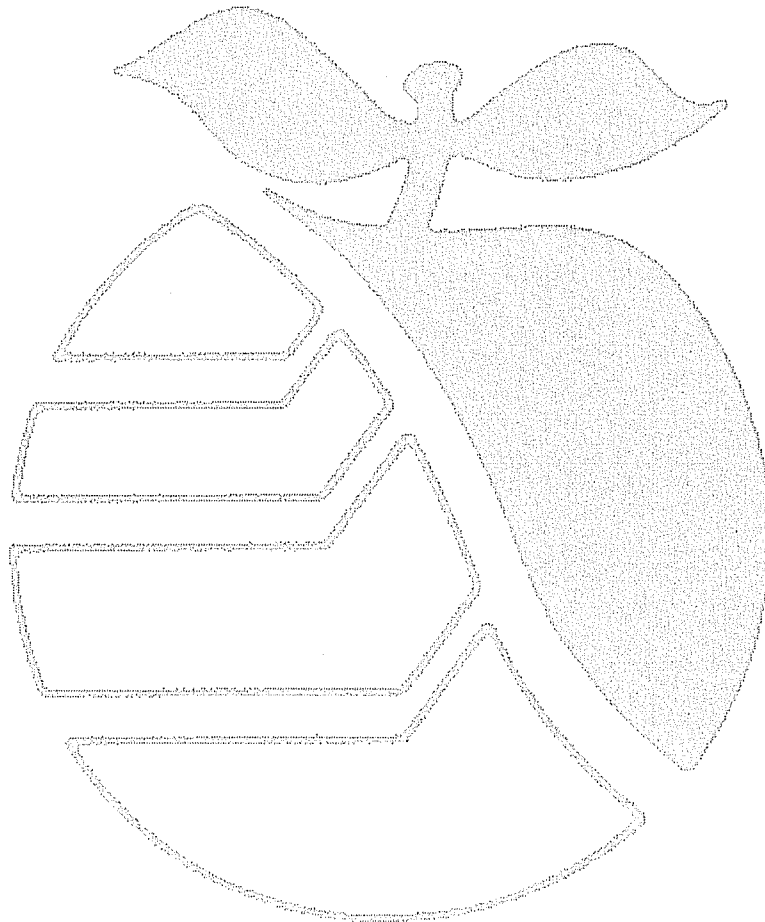
Equipment Rental & Replacement	595,459	2.7%
Data Processing	628,860	2.8%
Debt Service	290,349	1.3%
City Services Building Maint.	290,900	1.3%
Property/Liability Insurance	317,100	1.4%
Animal Control	199,900	0.9%
City Attorney	340,200	1.5%
Public Defender/District Court	481,700	2.2%
Regional Jail	1,900,000	8.5%
Rivercom	843,805	3.8%
LEOFF 1 Retiree Health Ins & LTC.	631,500	2.8%
Repairs	83,755	0.4%
Communications	108,768	0.5%
Professional Svc.	207,454	0.9%
Utilities	238,200	1.1%
Supplies	354,778	1.6%
Travel & Training	62,906	0.3%
GWREC PFD CLA	1,591,682	7.1%
All other	486,586	2.0%
Total non-payroll related	<u>9,653,902</u>	<u>43.1%</u>
Total Recurring Expenditures	<u>22,389,101</u>	<u>100.0%</u>



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## Part 5. Capital Facilities Plan



Included in this portion of the 2010 Budget document is a detailed description of the City of Wenatchee's capital facilities plan. Pages two and three reflect capital construction projects that are specifically included in the City's 2010 Budget. The remainder of this section contains the City of Wenatchee Capital Facilities Plan for the years 2009-2014 and the Six-Year Transportation Improvement Plan for the years 2009-2014.

**CITY OF WENATCHEE, WA**  
**2010 Budget**  
**CAPITAL FACILITIES PLAN**

12/3/2009

	Requested	Account Number
<b>Arterial Street Fund</b>		
- Riverside Drive	174,910	
- Audible Pedestrian Signals	111,442	
- Washington - Miller Signal	303,500	
- McKittrick Signal	142,500	
- South Wenatchee Ave.	509,000	
- N. Wen. Turn Lane	288,000	
- Orondo Right Turn Lane	281,678	
- Miscellaneous/Minor	50,000	
	<u>1,861,030</u>	109.001.595.30.63
<b>Street Overlay Fund</b>		
- Street Overlay	<u>90,000</u>	111.001.594.42.63
<b>Riverside Drive - LID portion</b>		
- 2010 is final year of project beginning in 2009 (total project cost of \$2,770,157)	<u>270,157</u>	305.001.595.60.63
<b>Foothills Trail</b>		
- 2010 is final year of project beginning in 2007 (total project cost of \$159,815)	<u>31,898</u>	310.001.595.76.63
<b>Water / Sewer Fund</b>		
<u>Water Division</u>		
- 6-year update to Water System Comp Plan	75,000	
- Misc Water Main Replacements	130,000	
- Jefferson Pump Station Rehab	477,000	
Total Water Division	<u>682,000</u>	401.001.594.34.63
<u>Sewer Division</u>		
- Olds Station Lift Station Storage Improvements	415,000	
- BNSF Interceptor Replacement	2,019,000	
- WWTP Odor Control & Visual Mitigation	735,000	
- Misc Sewer Collection Capital	205,000	
- Misc Sewer Treatment Plant Capital	205,000	
- Squilchuck Lift Station Construction	805,000	
Total Sewer Division	<u>4,384,000</u>	401.001.594.35.63
Total Water/Sewer Fund	<u>5,066,000</u>	
<b>Storm Drain Fund</b>		
- Snow Melt Facility Pilot Project	150,000	
- Misc. Storm Water Projects	50,000	410.001.594.38.63
	<u>200,000</u>	



**CITY OF WENATCHEE, WA**  
**2010 Budget**  
**CAPITAL FACILITIES PLAN**

12/3/2009

	Requested	Account Number
Regional Water Fund		
- 6-yr. update to Regional Water System plan	55,000	
- n/a	0	
- n/a	0	415.001.594.34.63
	<u>55,000</u>	
Total Capital Facilities Plan	7,574,085	

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## Introduction

The purpose of a Capital Facilities Plan (CFP) is to provide adequate facilities that are (1) consistent with the projected population growth and land use plan; (2) concurrent with, or within 6 years of the impacts of new development in order to achieve and maintain adopted level of service standards; and (3) based on sound fiscal policies for the city.

The Growth Management Act of 1990 requires that a CFP consist of (1) an inventory of existing capital facilities; (2) a forecast of the future needs for such facilities; (3) the proposed locations and capacities of expanded or new facilities; (4) at least a six-year plan that will finance such facilities within projected funding capacities and clearly identifies sources of public money for such purposes; and (5) a requirement to reassess the land use element if funding falls short of meeting existing needs.

The city-owned public capital facilities encompassed by this plan include the following:

- streets
- sidewalks, paths and trails
- street and road lighting systems
- traffic signals
- domestic water system
- storm sewer system
- sanitary sewer system
- parks and recreation facilities
- general administrative facilities
- vehicles (over \$10,000 and a useful life of over 10 years)
- museum
- convention center
- cemetery

The Capital Facilities Plan is also important for seeking other funding sources, such as grants and loans. The city must have an approved Capital Facilities Plan to be eligible for Public Works Trust Fund program, Distressed County Funds, and other programs.

Under Growth Management, the city's Capital Facilities Plan must also be coordinated and consistent with CFP's of other public facility providers. Some of those providers within the Wenatchee Urban Area include: Wenatchee School District (schools), Chelan County P.U.D. (electrical, water and sewer, parks and recreation), Department of Transportation (highways), Wenatchee Reclamation District (irrigation water), Fire District No. 1 (fire protection), Chelan County (streets, solid waste, storm sewer, lighting, traffic signals, law and justice).

The Capital Facilities Plan must be updated annually. Updates to the CFP should immediately precede the city's budget cycle so that capital improvements can be incorporated into the annual budget.

## Definitions

The following definitions will help in understanding how this Capital Facilities Plan is put together and read.

**Capital Facility:** Capital facilities are structures, improvements, equipment, or other major assets (including land) with a useful life of at least ten (10) years. Capital improvements are projects that create, expand, or modify a capital facility. This definition applies to projects cost that cost more than ten thousand (\$10,000) dollars.

**Public Facility:** The city-owned public capital facilities encompassed by this plan includes the following: streets, sidewalks, paths and trails, street and road lighting systems, traffic signals, domestic water system, storm sewer system, sanitary sewer system, parks and recreation facilities, general administrative facilities, vehicles, convention center, museum, and cemetery.

**Level of Service:** Levels of service are usually quantifiable measures of the amount of public facilities that are provided to the community. Measures of levels of service are typically expressed as ratios of facility capacity to demand by actual or potential users. Sometimes, level of service (LOS) standards are based on the public service, such as police protection, rather than on the facility that houses the service (e.g. police station).

**Concurrency:** This is a term that requires public facilities and services necessary to serve development be in place at the time of development or a financial commitment is made to provide the facility within a certain period of time. Growth Management requires concurrency on transportation facilities, while all other public facilities must be “adequate.” The Wenatchee Urban Area Comprehensive Plan, however, makes concurrency a requirement for city public facilities.

## CFP Organization

This Capital Facilities Plan is organized around each of the public facilities provided by the City. Because the city wants to make sure that the Capital Facilities Plan is based on sound fiscal policy, all capital facilities for which city funds would be expended are included in the CFP, not just those facilities required to accommodate future growth. The CFP is based on the following categories:

- General Facilities (fire, police, administrative offices, maintenance, community facilities)
- Parks and Recreation
- Stormwater
- Water
- Sewer
- Street Overlay
- Arterial Street
- Convention Center
- Regional Water
- Cemetery

City of Wenatchee, Capital Facilities Plan, 2009 to 2014

- Museum
- Vehicles
- Partnership Facilities / Economic Development (Events Center, Regional Jail, Library, Parking Improvements)

## Level of Service Standards

The Level of Service Standards for Public Facilities and Services identified in the Wenatchee Urban Area Comprehensive Plan are as follows:

### Schools

K-1	26 students per basic education (BEA) classroom
2-4	27 students per BEA classroom
4-5	29 students per BEA classroom
6-8	28 students per BEA classroom

#### *Comprehensive*

9-12	28 students per BEA classroom
------	-------------------------------

#### *Alternative*

9-12	24 students per BEA classroom
------	-------------------------------

#### *Ancillary Facilities*

Administration Center	1 per district
Transportation Center	1 per district
Maintenance Shop/Office	1 per district
Football Stadium	1 per district
Baseball Stadium	1 per district
Swimming Pool	1 per district
Outdoor Agricultural Lab	1 per district

### Fire Protection

Department goal is to have a response of less than 6 minutes 90% of the time.

### Police Protection

All calls for assistance will be answered within a reasonable time consistent with the nature of the call.

### Parks and Recreation

See plan for level of service standards

### Water Supply

Based on International Fire Code requirements

### Sanitary Sewer

Daily load demand times 2.5 for collection system

Daily load demand for treatment capacity

### Storm Water

Ten-year storm

### Transportation

LOS "D" for intersections along any regional roadway, except for intersections on SR285/Wenatchee Avenue where LOS "E" is applied

City of Wenatchee, Capital Facilities Plan, 2009 to 2014

LOS "D" for travel times along identified Regional Mobility Corridors

LOS "D" for signalized intersections along locally classified arterials and collectors

All roadways on the regional system should have sidewalks and proposed bicycle facilities should be funded and constructed.

## Financial Constraints

In order to be considered in the city's annual budget, a project that meets the definition of Capital Facility must be included in the city's Capital Facilities Plan. But first, here are some of the goals of the CFP planning process:

**Financial:** In the past, the Capital Facilities Plan was not financially realistic. The projected expenditures of general fund money were well beyond any reasonable expectation of the city unless new financial sources were obtained or identified. There also was never any correlation between a new capital program and annual operating costs. Therefore, in this plan, the following guidelines are set:

1. The first 3 years must be fiscally constrained. This means projects cannot be incorporated in the first three years unless they include one or more of the following:
  - a. they are from an existing, dedicated city fund
  - b. a grant has been approved for the expenditure (not just an application)
  - c. annual operation and maintenance costs have been budgeted, or are a reasonable increase over prior year's expenditures
  - d. the project financing may include the issuance of revenue bonds, voter approved bonds (UTGO), or non-voter approved/Councilmanic (LTGO) bonds
2. The second 3 years have to be reasonably constrained. That means projects can be put in the CFP if:
  - a. grant sources are reasonably likely to approve an application
  - b. new funding sources, such as development impact fees, have been reviewed and discussed with advisory bodies and City Council
  - c. annual operation and maintenance costs are reasonable (while not limited to a 3% increase over current budget, there needs to be some reasonable expectation of how the increase would be covered)

## Timelines

This Capital Facilities Plan update is being done in conjunction with the development of the annual city budget and the annual update process for the city's overall Comprehensive Plan.

City of Wenatchee, Capital Facilities Plan, 2009 to 2014  
Overall Plan

<b>EXPENSES (2009 - 2014)</b>	
<b>Public Facilities Type</b>	<b>Total</b>
Arterial Streets	\$16,534,377
Cemetery	\$140,000
Convention Center	\$5,024,185
General Facilities	\$26,436,484
Parks and Recreation	\$5,197,558
Regional Water	\$6,890,000
Storm Drain	\$6,631,011
Sanitary Sewer	\$18,664,000
Street Overlay	\$8,257,960
Street Maintenance	\$200,000
Vehicles	\$30,000
Water	\$3,140,000
Partnership Projects	\$13,000,000
<b>TOTAL</b>	<b>\$110,145,576</b>

## **2009 Projects**



City of Wenatchee, Capital Facilities Plan, 2009 to 2014

Facility Type	Project Name	Amount	Reserve Source
Arterial Street	Riverside Drive	\$8,239,321	Fund 109
Arterial Street	Audible Pedestrian Imp	\$86,349	Fund 109
Arterial Street	South Wenatchee Ave	\$250,175	Fund 109
Arterial Street	Washington-Miller	\$349,926	Fund 109
Arterial Street	McKittrick-Wen. Ave	\$529,429	Fund 109
Arterial Street	Brick Streets	\$4,227	Fund 109
Arterial Street	N Wen. Turn Lane	\$378,000	Fund 109
Arterial Street	Misc - Minor	\$50,000	Fund 109
<b>Arterial Street</b>	<b>Total</b>	<b>\$9,887,427</b>	
Cemetery	Section O, Upright Grave Development	\$40,000	Fund 430
Cemetery	Veterans section improvements	\$20,000	Fund 430
Cemetery	Satellite Niche Wall	\$50,000	Fund 430
Cemetery	Section M Irrigation	\$30,000	Fund 430
<b>Cemetery</b>	<b>Total</b>	<b>\$140,000</b>	
Convention Center	Minor Capital	\$75,000	Convention Center Fund 106
<b>Convention Center</b>	<b>Total</b>	<b>\$75,000</b>	
General Facilities	Wenatchee Riverfront Day Moorage	\$560,650	Grant -- IAC
General Facilities	Wenatchee Riverfront Day Moorage	\$173,334	Intergovernmental (local)
General Facilities	City Hall/PD Parking	\$300,000	General Fund Reserves
General Facilities	City Hall Energy Upgrades	\$60,000	LTGO Bonds (2007)
General Facilities	Community Center Sidewalk Reconstruction	\$55,000	City CDBG Entitlement 2009
General Facilities	Lincoln Elementary Neighborhood Connections	\$15,000	CDBG Entitlement 2009
General Facilities	Lincoln Elementary Neighborhood Connections	\$204,500	WSDOT Safe Routes to School
General Facilities	Headquarters Fire Station	\$15,123,000	Bonds-Voter Approved
General Facilities	Museum Remodel	\$10,000,000	Bonds-Voter Approved
<b>General Facilities</b>	<b>Total</b>	<b>\$26,436,484</b>	
Parks and Recreation	Foothills Trail Phase 1	\$163,869	RCO Grant
Parks and Recreation	Foothills Trail Phase 1	\$173,689	CD Land Trust
Parks and Recreation	Pennsylvania Park Play Area	\$75,000	CDBG Grant
Parks and Recreation	Methow Park Play Area	\$85,000	CDBG Grant
Parks and Recreation	Pool Fence	\$18,000	General Fund/2nd 1/4% REET
Parks and Recreation	Natural Area Acquisition	\$400,000	Council Bond
Parks and Recreation	Natural Area Acquisition	\$100,000	Partner Contributions
Parks and Recreation	Chase Park Play Area	\$75,000	CDBG Grant
Parks and Recreation	Pioneer Park Renovation Phase I	\$4,000,000	MPD
Parks and Recreation	Pennsylvanai Park Restrooms	\$75,000	CDBG Grant
Parks and Recreation	Pennsylvanai Park Restrooms	\$50,000	General Fund
<b>Parks and Recreation</b>	<b>Total</b>	<b>\$5,215,558</b>	
Regional Water	New Disinfection Facility	\$540,000	Water -- Regional Reserves -- Fund 415
Regional Water	Install Fifth Well at Regional Well Field	\$850,000	Water -- Regional Reserves -- Fund 415
Regional Water	Water Rights - Purchase and Irrigation	\$2,000,000	Water -- Regional Reserves -- Fund 415
Regional Water	Install Second Transmission line to EWWD	\$3,500,000	EWWD and Regional Fund 415
<b>Regional Water</b>	<b>Total</b>	<b>\$6,890,000</b>	

## City of Wenatchee, Capital Facilities Plan, 2009 to 2014

**2009 Project Continued**

Facility Type	Project Name	Amount	Reserve Source
Sewer	Worthen Sidewalk along Eq. Basin	\$140,000	Sewer - Reserves -- Fund 401
Sewer	Base Pump Replacement	\$130,000	Sewer - Reserves -- Fund 401
Sewer	Basement Dehumidifier	\$14,000	Sewer - Reserves -- Fund 401
Sewer	River Park Sewage Pump Station	\$300,000	Sewer - Reserves -- Fund 401
Sewer	Automatic Samplers	\$10,000	Sewer - Reserves -- Fund 401
Sewer	Olds Station L.S. Storage Capacity	\$470,000	Sewer - Reserves -- Fund 401
Sewer	5000' Sewer Main Repl. Along RR Tracks	\$2,150,000	Sewer - Revenue Bonds
Sewer	Squilchuck Lift Station	\$860,000	Sewer - Reserves -- Fund 401
Sewer	Visual Mitigation at WWTP	\$2,800,000	Sewer - Revenue Bonds
Sewer	Odor Control measures at WWTP	\$4,100,000	Sewer - Revenue Bonds
Sewer	*Easy Street Trunk Line & Sunnyslope Expan	\$3,050,000	LID or Developer Extension
Sewer	*Chatham Hill Extension	\$2,000,000	LID or Developer Extension
Sewer	Digester Floating Dome Eval. & Rehab	\$820,000	Sewer - Reserves -- Fund 401
Sewer	Drying Bed Expansion	\$1,100,000	Sewer - Reserves -- Fund 401
Sewer	Annual major repair/replacement - Collection	\$360,000	Sewer - Reserves -- Fund 401
Sewer	Annual major repair/replacement - WWTP	\$360,000	Sewer - Reserves -- Fund 401
<b>Sewer</b>	<b>Total</b>	<b>\$18,664,000</b>	
Stormwater	Comp plan update	\$130,000	Storm Sewer Reserves - Fund 410
Stormwater	Linden Tree outfall	\$315,000	Storm Sewer Reserves - Fund 410
Stormwater	Misc. stormdrain impr.	\$50,000	Storm Sewer Reserves - Fund 410
<b>Stormwater</b>	<b>Total</b>	<b>\$495,000</b>	
Street Overlay	Overlays	\$350,000	2nd 1/4% REET
<b>Street Overlay</b>	<b>Total</b>	<b>\$350,000</b>	
Streets	CDB Stamped Crosswalks	\$40,000	Street Fund -- Fund 108
Streets	Reconstruct crosswalks on cross streets in CBD	\$20,000	Street Fund -- Fund 108
Streets	Replace misc. sidewalk sections throughout City	\$10,000	Street Fund -- Fund 108
Streets	Replace misc. sidewalk sections throughout City	\$30,000	Street Fund -- Fund 108
Streets	Reconstruct crosswalks on cross streets in CBD	\$100,000	Street Fund -- Fund 108
<b>Streets</b>	<b>Total</b>	<b>\$200,000</b>	
Vehicles	Motor Pool Hybrid - City-wide use	\$30,000	Fund 503
<b>Vehicles</b>	<b>Total</b>	<b>\$30,000</b>	
Water	Water Main Repl. & Upgrade	\$100,000	Water - Reserves -- Fund 401
Water	Riverside Drive Water Improvements	\$627,000	Water - Reserves -- Fund 401
Water	8 M Reservoir Overflow Pipe Rehabilitation	\$185,000	Water - Reserves -- Fund 401
Water	Water Comprehensive Plan	\$88,000	Water - Reserves -- Fund 401
Water	Security System for Reservoirs & Pump Stations	\$90,000	Water - Reserves -- Fund 401
Water	Reservoir Coatings	\$275,000	Water - Reserves -- Fund 401
Water	Crawford Street Main Replacement	\$500,000	Water - Reserves -- Fund 401
Water	Storage Improvements	\$75,000	Water - Reserves -- Fund 401
Water	Booster Pump Station #2	\$200,000	Water - Reserves -- Fund 401
Water	Booster Pump Station #1	\$250,000	Water - Reserves -- Fund 401
Water	Water Main Replacement and Upgrade (\$250k/yr)	\$750,000	Water - Reserves -- Fund 401
<b>Water</b>	<b>Total</b>	<b>\$3,140,000</b>	
<b>Grand</b>	<b>Total</b>	<b>\$71,505,470</b>	

**General Facilities**

City of Wenatchee, Capital Facilities Plan, 2009 to 2014

General facilities covers city administrative offices, public works buildings, and other community projects that do not have dedicated fund sources, such as water and sewer systems.

The focus of the 6-year capital facilities financing plan for general facilities is on five areas:

1. Implementation of the Wenatchee Waterfront Subarea plan which includes:
  - a. Support of the Greater Wenatchee Regional Events Center which is discussed under partnership projects, page 31.
  - b. The Orondo Day Use Moorage
  - c. Master Plan and support of the Pybus Market project in the southern node of the waterfront.
2. Maintenance and expansion of city-owned facilities, including museum and city hall.
3. Construction of a new Headquarters Fire Station.
4. Sidewalk construction around Community Center
5. Lincoln Elementary Neighborhood Connections for safe routes to school

Wenatchee's Waterfront Subarea Plan is well underway and in 2009, the Orondo Moorage project which is supported by a grant from the Resource and Conservation Office and a \$200,000 commitment from the Port of Chelan County will be constructed. In 2008, the City moved off of the former waterfront public works property and opened the new Public Works facility on McKittrick. The city is now working with various public and private partners to redevelop the southern node of the waterfront.

A key City Council priority is to carry out needed improvements and additions for city Fire Facilities. In November 2008, a voted bond for these facilities failed, and all parties are working toward a new bond election in the fall of 2009.

In 2005, the City became a CDBG Entitlement Community. For 2009, sidewalks around the Community Center will be replaced and design will begin for a Safe Routes to school grant near Lincoln Elementary School. Construction of this project is scheduled for 2010.

The Museum began a process to evaluate future needs in 2001. Envisioned additions and improvements will serve to create ADA compliant entry and access to public areas, tie the museum plaza to the existing downtown park creating a complex to make efficient use of space and resources. Of this \$11.2 million dollar project, a successful campaign already provided \$1.2 million in improvements. It is the goal to complete the remaining \$10 million project between 2010-2012.

With the addition of the New Police Station in 2004, the existing police facility was opened up for occupancy by other departments of the City. The Information Systems Department, the Facility Maintenance Division of Public Works and the Drug Taskforce of the Police Department have all located in this facility. The influx of additional personnel has revealed a deficiency of parking spaces at the City's downtown campus. Additional parking is being planned as a lid structure over a portion of the new Police Department parking lot this project is estimated at \$300,000.

In conjunction with Chelan County PUD, the City will be making energy savings upgrades to City Hall. These upgrades will include work on the building envelope, HVAC and lighting systems.

City of Wenatchee, Capital Facilities Plan, 2009 to 2014

There is approximately \$60,000 remaining from a 2007 bond that was utilized to fund technology upgrades at City Hall as well as these energy upgrades.

### General Facilities Projects

<i>Year</i>	<i>Project</i>	<i>Funding Source</i>	<i>Fund Amount</i>
2009	<b>Wenatchee Riverfront Day Moorage</b>		
		Grant – IAC	560,650
		Intergovernmental (local)	173,334
	<b>Wenatchee Riverfront Day Moorage Total 2009</b>		<b>\$733,984</b>
2009	City Hall/PD Parking	General Fund Reserves	<b>\$300,000</b>
2009	City Hall Energy Upgrades	LTGO Bonds (2007)	<b>\$60,000</b>
2009	<b>Community Center Sidewalk Reconstruction</b>		
		City CDBG Entitlement 2009	55,000
	<b>Community Center Sidewalk Reconstruction Total</b>		<b>\$55,000</b>
2010	<b>Lincoln Elementary Neighborhood Connections</b>		
		CDBG Entitlement 2009	15,000
		WSDOT Safe Routes to School	204,500
	<b>Lincoln Elementary Neighborhood Connections Total</b>		<b>\$219,500</b>
2010	Headquarters Fire Station	Bonds-Voter Approved	<b>\$15,123,000</b>
2010	Museum Remodel	Bonds-Voter Approved	<b>\$10,000,000</b>
<b>TOTAL</b>			<b>\$26,436,484</b>

## Parks and Recreation

In 2006 the City adopted a Parks and Recreation Comprehensive Plan. This plan addresses every type of recreational facility and recreational activity available and analyzed the deficiencies compared with recreational standards. Overall, the community's residents are blessed with a wide variety of recreational opportunities. Many agencies and groups provide outstanding facilities and programs separate from those of the city.

The comprehensive plan contains a section concerning project funding (Chapter VI) which highlights the proposed capital improvements as well as funding mechanisms available to finance the improvements. Over the last year, City Staff and the Parks and Recreation Advisory Board further developed and refined this section with more detailed individual project worksheets. This process included: Completing an inventory of existing facilities, reviewing current and future planned projects, exploring partnerships, examining the comprehensive plan, researching funding options, and developing a prioritization matrix system consistent with CTED recommendations. Through this refinement process, the project worksheets evolved into a separate document called the Capital Investment Plan.

As the City views its parks and recreational resources as investments in the community, the more commonly referred to Capital Facilities Plan is referred to in this supplemental document as the Capital Investment Plan. The Capital Investment Plan serves as a supplement to the Parks, Recreation and Open Space Comprehensive Plan and provides the detailed project, funding and expense information regarding proposed park and recreation facility development for the years 2009-2014 and beyond.

For many cities, the amount of funds required to acquire the park land and develop the proposed facilities is beyond their financial capabilities. Wenatchee is no different. Parks must compete for funds with legally mandated City functions and services, including police and fire protection, roads, utilities, planning, regulatory enforcement, and so forth. For this reason, the proposed parks and recreation capital facilities developed through the planning process were prioritized, suggesting a continuum as to which facilities should be given the highest and lowest consideration. The resulting list comprises the Capital Investment Plan. Other public, private and nonprofit organizations will need to be involved in helping generate revenue and support for the projects if they are to be realized.

For the purposes of this year's CFP, those projects with funding identified are included in the plan. The only scheduled project to occur in 2009 is the play area rehabilitation and accessibility improvements in Pennsylvania Park. This project is funded through the use of CDBG funds. A second CDBG grant application is pending for the purpose of completing play area renovation and accessibility work in Methow Park. This project would be completed if funding is received. The city has previously received grant funding from the Recreation and Conservation Funding Board for the first phase of the Foothills Trails Project. That project is underway through a partnership with Chelan-Douglas Land Trust.

City of Wenatchee, Capital Facilities Plan, 2009 to 2014

**Parks and Recreation Projects**

<i>Year</i>	<i>Project</i>	<i>Funding Source</i>	<i>Fund Amount</i>
2009	Foothills Trail Phase 1	RCO Grant	\$163,869.13
		CD Land Trust	\$173,689.00
2009	Pennsylvania Park Play Area	CDBG Grant	\$75,000.00
2009	Methow Park Play Area	CDBG Grant	\$85,000.00
2009	Pool Fence	General Fund/2nd 1/4% REET	\$18,000.00
2010-2012	Natural Area Acquisition	Council Bond	\$400,000
		Partner Contributions	\$100,000
2010-2012	Chase Park Play Area	CDBG Grant	\$75,000
2012	Pioneer Park Renovation Phase I	MPD	\$4,000,000
2012	Pennsylvania Park Restrooms	CDBG Grant	\$75,000
		General Fund	\$50,000

## Stormwater

Projects in this program provide an infrastructure capable necessary to control flooding and well as drainage of the urban area. The existing stormwater system consists of a network of piping generally located within the street system designed to collect surface water and convey it to the nearest surface water body. The City developed a comprehensive stormwater plan in 2000 to identify capital needs necessary to meet level of service standards. Stormwater Bonds were issued in 1998 to provide funding for expansion of the system. These bonds were expended on large stormwater projects completed in concert with arterial street projects. The 2008 budget was developed to continue to improve the system and address immediate needs. Due to the requirements of the National Pollution Discharge Elimination (NPDES) an update to the Stormwater Comprehensive Plan was initiated in 2008. Plan adoption is expected in 2009 with a rate study to follow. The updated plan will provide guidance for future stormwater capital improvements and reprioritize those projects not completed under in the existing comprehensive plan

The City has implemented a 10-year storm as the design standard. A 10-year storm is defined as a storm that can be expected to occur on average once every 10 years. Storm sewer systems were generally not installed in the areas above the Reclamation District Canal. As these areas are brought up to standards, and as new developments occur that increase the runoff to the existing system, capacity of the system will be impacted. The intent of this program is to update or install new storm sewer mains in a timely manner so that the ultimate build out of the valley is accommodated in regards to drainage of a 10-year storm event.

# City of Wenatchee, Capital Facilities Plan, 2009 to 2014

The Storm Drain Utility Fund is a special revenue fund designed to account for the financial activities related to the City's ongoing improvement and expansion of the storm sewer system. The revenue for this fund is generated from a flat monthly charge to each single-family residence as well as a monthly charge to commercial and multi-family residences based on an "equivalent residential unit". The equivalent residential unit is an impervious surface of 3,000 square feet. The city recently completed a fee study, which resulted in an increase in the stormwater charges. This plan shows a projection of \$200,000 per year to be invested in capital outlays. The investment is likely to increase when assigned to projects following the comprehensive plan update. A rate study will be performed to address the reprioritized and new capital needs as well as the operations and maintenance costs associated with compliance with the City's NPDES general permit.

Storm sewer fees were previously collected outside the City of Wenatchee's corporate limits but within the City's urban growth boundary. The collection of these stormwater utility fees was suspended several years ago, pending review of the needs and funding program. Chelan County has developed and implemented a stormwater utility needed to address NPDES issues within the urban growth area, but outside the City limits.

## **Storm Drain (#410)**

	2009	2010	2011	2012	2013	2014
<b><u>Revenue</u></b>						
Operating	998,100	1,028,000	1,058,800	1,090,600	1,123,300	1,157,000
Interest earnings	29,200	5,600	6,300	7,400	8,900	10,800
Misc. Revenue	0	0	0	0	0	0
Revenue bonds	0	0	0	0	0	0
Total revenues	1,027,300	1,033,600	1,065,100	1,098,000	1,132,200	1,167,800
<b><u>Expenses</u></b>						
Operating	635,001	654,051	673,673	693,883	714,699	736,140
Bond payments	253,188	255,903	252,983	254,695	255,695	256,100
Comp plan update	130,000	0	0	0	0	0
Linden Tree outfall	315,000	0	0	0	0	0
Misc. stormdrain impr.	50,000	0	0	0	0	0
Unprioritized Capital	0	100,000	100,000	100,000	100,000	100,000
Total projects	1,383,189	1,009,954	1,026,656	1,048,578	1,070,394	1,092,240
<b><i>Revenues over (under) project</i></b>	-355,889	23,646	38,444	49,422	61,806	75,560
<b><i>Beginning working capital</i></b>	541,537	185,648	209,294	247,738	297,161	358,966
<b><i>Ending working capital</i></b>	185,648	209,294	247,738	297,161	358,966	434,526
-Rate study growth factor	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
-CPI	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
<b><u>Debt Service Payments</u></b>						
1998 Bonds	253,188	255,903	252,983	254,695	255,695	256,100
Bond issue #1	0	0	0	0	0	0
Bond issue #2	0	0	0	0	0	0
Bond issue #3	0	0	0	0	0	0
Bond issue #4	0	0	0	0	0	0
	253,188	255,903	252,983	254,695	255,695	256,100

## **Water/Sewer**

The major emphasis in the water distribution system over the next six years will be on upgrading fire flow capacity, replacing aging steel water mains in streets scheduled for ACP overlay and continued restoration of reservoirs. A major project in the 2009 budget for the water system is the installation of mains and appurtenances on the new Riverside Drive alignment on the waterfront. An update to the Water System Plan will be undertaken in 2009 from which a new Capital Improvement Plan will be developed. This plan will prioritize the fire flow projects, main replacement projects and reservoir improvements. For the final 3 years of the CFP, \$250,000 per year has been budgeted for these unknown projects.

The major emphasis in the waste water system will be on planning, design and construction of collection system improvements (River Park Lift Station Replacement, Squilchuck Lift Station Replacement, Olds Station Lift Station Capacity Improvements, Sewer Main replacement on BNSF Right-of-way) along with odor and visual mitigation projects at the Waste Water Treatment Plant (WWTP).

The City's first General Sewer Plan (GSP) in was completed in 2008. This plan includes a prioritized Capital Improvement Plan for the Wastewater system. A new Facility Plan (FP) for the Waste Water Treatment Plant was also completed in 2008. This plan outlined several improvements to the treatment plant facilities which will be necessary in the next 6 years. The major areas of improvement identified in the FP are the collection and treatment of odors at the treatment plant and the development of a plan to improve the visual aesthetics at the facility to blend into the changing nature of the waterfront uses. Another area of focus in the next 6 years will be the evaluation and improvement of solids handling processes at the WWTP.

Ongoing annual maintenance and rehabilitation of the collection system main lines, manholes and pump stations will be required over the next six years as more areas of need are identified through the City's continuing video inspection program.

The sewer rates have been analyzed and the annual Consumer Price Index adjustment included in the utility code may need to be stabilized due to recent volatility in the CPI. The water rates will be analyzed during the development of the Water Comprehensive Plan during 2009.



City of Wenatchee, Capital Facilities Plan, 2009 to 2014

**Water/Sewer (#401)**

<b>System</b>	<b>Year</b>	<b>Project</b>	<b>Fund Source</b>	<b>Project Cost</b>
Water	2009	Water Main Repl. & Upgrade	Water - Reserves -- Fund 401	100,000
Water	2009	Riverside Drive Water Improvements	Water - Reserves -- Fund 401	627,000
Water	2009	8 M Reservoir Overflow Pipe Rehabilitation	Water - Reserves -- Fund 401	185,000
Water	2009	Water Comprehensive Plan	Water - Reserves -- Fund 401	88,000
Water	2009	Security System for Reservoirs & Pump Stations	Water - Reserves -- Fund 401	90,000
Water	2010	Reservoir Coatings	Water - Reserves -- Fund 401	275,000
Water	2011	Crawford Street Main Replacement	Water - Reserves -- Fund 401	500,000
Water	2011	Storage Improvements	Water - Reserves -- Fund 401	75,000
Water	2012	Booster Pump Station #2	Water - Reserves -- Fund 401	200,000
Water	2014	Booster Pump Station #1	Water - Reserves -- Fund 401	250,000
Water	2012-2014	Water Main Replacement and Upgrade (\$250k/yr)	Water - Reserves -- Fund 401	750,000
<b>Water Total</b>				<b>\$3,140,000</b>
Sewer	2009	Worthen Sidewalk along Eq. Basin	Sewer - Reserves -- Fund 401	140,000
Sewer	2009	Base Pump Replacement	Sewer - Reserves -- Fund 401	130,000
Sewer	2009	Basement Dehumidifier	Sewer - Reserves -- Fund 401	14,000
Sewer	2009	River Park Sewage Pump Station	Sewer - Reserves -- Fund 401	300,000
Sewer	2009	Automatic Samplers	Sewer - Reserves -- Fund 401	10,000
Sewer	2009	Olds Station L.S. Storage Capacity	Sewer - Reserves -- Fund 401	470,000
Sewer	2010	5000' Sewer Main Repl. Along RR Tracks	Sewer - Revenue Bonds	2,150,000
Sewer	2010	Squilchuck Lift Station	Sewer - Reserves -- Fund 401	860,000
Sewer	2011	Visual Mitigation at WWTP	Sewer - Revenue Bonds	2,800,000
Sewer	2011	Odor Control measures at WWTP	Sewer - Revenue Bonds	4,100,000
Sewer	2011	*Easy Street Trunk Line & Sunnyslope Expan	LID or Developer Extension	3,050,000
Sewer	2011	*Chatham Hill Extension	LID or Developer Extension	2,000,000
Sewer	2013	Digester Floating Dome Eval. & Rehab	Sewer - Reserves -- Fund 401	820,000
Sewer	2014	Drying Bed Expansion	Sewer - Reserves -- Fund 401	1,100,000
Sewer	2012-2014	Annual major repair/replacement - Collection	Sewer - Reserves -- Fund 401	360,000
Sewer	2012-2014	Annual major repair/replacement - WWTP	Sewer - Reserves -- Fund 401	360,000
<b>Sewer Total</b>				<b>\$18,664,000</b>

\* These projects are included in the 2008 Sewer System Plan. However they will only be constructed if LID or developer funding is committed to the project. There are no funds from the 401 Fund anticipated to be used for these projects.

## Regional Water

Three major projects are planned for the Regional system in the future along with development of water right longevity strategies.

The first is a change in the chlorination system from one ton pressurized gas cylinder system to a liquid injection system. At this time, on-site generation of a hypochlorite solution is the preferred option. The second major project is a fifth high capacity well. Additional capacity will be needed as the East Wenatchee Water District (EWWD) expands and the demand for water increases from the East Bank Aquifer. The third project depends on growth rate of the EWWD and the Chelan County PUD which will dictate the need for a second 30 inch diameter transmission main between the aquifer to the EWWD connection near Odabashian Bridge. This project is anticipated in 2012 based on current growth rates.

The regional water coordinating committee is also working on strategies for improving the longevity and the valley domestic water supply related to available water rights. Presently, regional water rights are anticipated to be adequate until approximately 2030. Some of the strategies being evaluated include purchase of water rights, development of irrigation systems and sources which reduce demand on the regional water system, conservation, and water re-use.

### Regional Water (#415)

<i>Year</i>	<i>Project</i>	<i>Fund Source</i>	<i>Project Cost</i>
2009	New Disinfection Facility	Water – Regional Reserves – Fund 415	540,000
2010	Install Fifth Well at Regional Well Field	Water – Regional Reserves – Fund 415	850,000
2012-14	Water Rights - Purchase and Irrigation	Water – Regional Reserves – Fund 415	2,000,000
2012-14	Install Second Transmission line to EWWD	EWWD and Regional Fund 415	3,500,000
<b>TOTAL</b>			<b>\$ 6,890,000</b>

## Street Overlay

The intent of this annual project is to preserve the City street system through implementation of large scale preservation projects. Preservation has historically been performed with street overlays with the intent of building structure and rehabilitating the surface based on their respective maintenance cycle. In addition to pavement condition, consideration is given to the need to upgrade the water, sewer, storm drain and other utilities so that the overlays occur at least one year after excavation for utility updates.

For the most part, the overlay program is a maintenance issue. It is related to Level of Service (LOS) standards in that if the maintenance issue is not addressed in a timely manner, roadways will deteriorate to the point where total reconstruction is necessary, at which time LOS to the public is lowered.

The Street Overlay Fund is a special revenue fund designed to account for financial activities related to the City's ongoing street overlay program. The Street Overlay Program was developed by the Public Works Department in 1996 and provided for the overlay of all City streets over a 15-year repeating cycle. The Street Overlay Program was looked at again by the Public Works Department in 2005. The overlay cycle was evaluated for categories of City Streets in an effort to more accurately predict overlay cycles. Some maintenance work such as crack sealing was added to the program resulting in extended overlay cycles. This analysis indicates that more than \$1,500,000 needs to be annually allocated to this fund. The largest differences between the 1996 and 2005 evaluations are inflation due to the rising cost of oil prices, and a closer examination of other issues such as grinding, and intersection repairs. Since the 2005 evaluation, cost escalation has been a greater problem than anticipated. Therefore, an updated evaluation is recommended. This updated evaluation may include consideration of utilizing less costly preservation technologies, such as micro sealing, crack sealing, and paving driving lanes only.

Revenue sources consist of funds generated from the city's 2nd  $\frac{1}{4}$  of 1% Real Estate Excise Tax. Previously, funds from the city's 5% Cable TV tax were dedicated to the overlay program, but budget priorities in 2003 reallocated those funds to general city expenses. The current revenue is approximately \$360,000 per year.

The budget shown in fund 111 is an estimate of what could be expended given revenues available. Actual needs for street overlay expenditures based on the Public Works Department's analysis of life cycle of city streets far exceeds that shown. The fund 111 table also does not reflect whether the amount invested in previous years met the intent of the 2005 evaluation. Therefore, these costs projects are significantly understated. Furthermore, due to excessive inflation of asphalt, the 2005 study should be adjusted to reflect current market price for oil based products. Extensive overlay projects and funding needs are expected in the near future due to the large amount of work done in 1998 and 1999, which were financed by bonds.

Even with the issuance of bonds in 2014, when the city's existing bonds for the overlay program are paid off, additional funding sources need to be pursued in order to maintain current levels of service.

## City of Wenatchee, Capital Facilities Plan, 2009 to 2014

An exception to use of these funds for street overlay purposes is intended in 2009 due to extraordinary budget short falls in the City's general fund. Three capital projects are planned including filling a funding gap for the Orondo Street Moorage, upgrading the pool perimeter fence to be compliant with Department of Health requirements, and construction of an irrigation system for Locomotive Park. Use of the Street Overlay funds requires adoption of an ordinance allowing these funds to be allocated to their respective funds.

### Street Overlay (#111)

	2009	2010	2011	2012	2013	2014
<b>Revenue</b>						
2nd 1/4% REET	360,000	370,800	381,900	393,400	405,200	417,400
Miscellaneous	27,300	21,200	21,000	20,700	20,400	20,100
L.T.G.O. Bond	0	0	0	0	0	0
<b>Total revenues</b>	<b>387,300</b>	<b>392,000</b>	<b>402,900</b>	<b>414,100</b>	<b>425,600</b>	<b>437,500</b>
<b>Projects</b>						
Overlays	150,000	400,000	412,000	424,400	437,100	450,200
*Orondo Boat Moorage	80,000					
*Pool Fence	10,000					
*Locomotive Park Irrigation	45,000					
<b>Total projects</b>	<b>285,000</b>	<b>400,000</b>	<b>412,000</b>	<b>424,400</b>	<b>437,100</b>	<b>450,200</b>

## Arterial Streets

Every year the City is required to adopt a Six Year Transportation Improvement Plan (STIP). This plan includes financially constrained projects within the first three years and planned projects for years 4-6. The majority of projects is financially unconstrained and therefore falls into years 4-6. The City STIP for 2009-2014 was adopted on 7/10/08 and amended on 4/9/2009. See Appendix A for a full copy of the 2009 – 2014 STIP.

The City will be adopting the 2010 through 2015 STIP June 25, 2009. The following projects are known additions that will likely be added to years 4-6 of the STIP and are desired to be included in this plan as future projects.

- Skyline Drive Pedestrian and Bicycle Safety Project - Estimated Cost: \$2.5 million.
- The Regional Events Center Pedestrian BNSF Overpass – Estimated Cost: \$4.1 million

The City of Wenatchee receives a portion of the State's motor vehicle fuel tax, approximately \$325,000 annually, which is dedicated to Arterial Streets. Historically, this revenue has been used as matching money for grant funded projects.

The primary source of the grant funds has been the Transportation Improvement Board (TIB). Due to decreasing gas tax revenues statewide, TIB has indicated that project funding will not be available in the years to come. Now the primary source of larger transportation project funding is

City of Wenatchee, Capital Facilities Plan, 2009 to 2014

Federal either via appropriation, authorization, or allocations through the Metropolitan Planning Organization. The City of Wenatchee competes with other agencies for state and federal funds. Specific criteria, including safety, mobility, structural condition, congestion, width, multimodal components and project cost are often evaluated by the granting authority. A future source of funds being considered for congestion related projects is the formation of a Transportation Improvement District and the imposition of a \$20 car tab fee. This funding source, if imposed by the city of Wenatchee alone would produce approximately \$635,000 annually.

Arterial street projects are typically funded by grants with 13.5% to 20% match coming from the Arterial Street fund. The City has been aggressive in pursuing and successfully securing these grants. This plan identifies those funded project and associated grant funding sources. The table also and anticipates 80% grant funding for years 4-6. It should be noted that should the City be successful in receiving grants beyond what gas tax is available to provide as match, additional funding would be necessary.

The following table lists those projects funded and currently budgeted. Years 4-6 projects are listed as unprioritized projects as they are dependent on various grant programs that have not been identified.

**Arterial Street (#109)**

	2009	2010	2011	2012-14
<b><u>Revenue</u></b>				
Motor vehicle fuel tax	310,600	310,600	310,600	931,800
Intergovernmental				
Grants - State	3,830,965			
Grants - Fed	1,444,109	1,580,567		
Federal STP				
LINK				
Grants - Unknown				3,727,200
Chelan County				
Private (LID, etc)				
Proceeds land sale				
Private contributions	4,136,901	22,500		
Interest	5,000	5,000	5,000	15,000
Total revenues	9,727,575	1,918,667	315,600	4,674,000
<b><u>Projects</u></b>				
Riverside Drive	8,239,321	0		
Audible Pedestrian Imp	86,349	0		
South Wenatchee Ave	250,175	1,827,950		
Washington-Miller	349,926	0		
McKittrick-Wen. Ave	529,429	0		
Brick Streets	4,227	0		
N Wen. Turn Lane	378,000	0		
Misc. - Minor	50,000	50,000	50,000	150,000
Det. By Grant Funding				4,569,000
Interfund Loan Repmt				
Total projects	9,887,427	1,877,950	50,000	4,719,000
<b>Revenues over (under) projects</b>	-159,852	40,717	265,600	-45,000
<b>Beginning fund balance</b>	1,097,484	937,632	978,349	1,243,949
<b>Ending fund balance</b>	937,632	978,349	1,243,949	1,198,949

The following funded projects, contained within the above table, improve roadway functionality and safety by widening, adding bike lanes and sidewalks and improving channelization.

- McKittrick Street/Wenatchee Avenue Signal
- Washington Street/Miller Street Signal
- New Riverside Drive and Piere Street improvements
- Extension of right turn lane on North Wenatchee Avenue between Horse Lake Road and Maiden Lane
- Orondo Right Turn Lane Safety Project
- Audible Pedestrian Improvements
- South Wenatchee Avenue

A number of projects are needed soon in order to maintain level of service standards. The City is planning on performing a level of service study on all intersections that are close to falling below level of service standards in order to help prioritize improvements. The North Wenatchee Avenue Plan will also address level of service standards between US 2 and Miller Street. This plan is being administered by the WVTC in partnership with property owners, the City, WSDOT, and Chelan County.

As the City moves forward, other high priority programmed projects will be:

- Hawley Street / BNSF Railroad grade separation
- Pedestrian overpass at the regional events center.
- Traffic signal radio interconnect and optimization

## Street Maintenance Projects

Two types of projects are proposed with street maintenance funds: replacement of concrete crosswalks in the central business district and replacement of defective sidewalks in various areas around the City. The downtown crosswalks have required replacement due to deterioration and settlement of the brick borders as well as deterioration of the concrete. City crews have used a stamped, colored concrete system to replace the bricks and concrete materials in the original installation. All of the crosswalks that cross Wenatchee Avenue have been completed. Several of the cross streets still need to be done (2 at Yakima, 1 at Orondo, 1 at Palouse, 2 at First Street and 2 at Second Street). The City has been experimenting with the use of stamped asphalt in lieu of stamped concrete, but the results have not been as good as expected. Alternative, less expensive, methods will continue to be explored.

**Street Maintenance Projects**

<b>Year</b>	<b>Project</b>	<b>Fund Source</b>	<b>Project Cost</b>
2009	CDB Stamped Crosswalks	Street Fund – Fund 108	40,000
2010	Reconstruct crosswalks on cross streets in CBD	Street Fund – Fund 108	20,000
2010	Replace misc. sidewalk sections throughout City	Street Fund – Fund 108	10,000
2011-2014	Replace misc. sidewalk sections throughout City	Street Fund – Fund 108	30,000
2011-2014	Reconstruct crosswalks on cross streets in CBD	Street Fund – Fund 108	100,000
<b>TOTAL</b>			<b>\$ 200,000</b>

## Convention Center

The Convention Center is a city-owned facility that is operated under agreement with The Coast Center Hotel. Revenue from the operation of the facility and revenue from lodging taxes from hotels within the City are used to operate and maintain the facility as well as pay off long-term capital debt and provide for facility and equipment upgrades and replacements. In 2008, the City formalized an agreement with Chelan County for the distribution of \$65,000 of Chelan County's unincorporated hotel/motel tax to the City to help pay for upgrades to the Convention Center.

The original portions of the Convention Center were built and equipped in 1980 and were expanded and portions remodeled in 1997. As the facility has aged it has become necessary to replace much of the original equipment especially in high use area like the food service facilities and common areas. Each year \$75,000 is dedicated to the ongoing capital maintenance of the facility. These funds are used to replace aging equipment or make major repairs to the facility.

In 2006 the City engaged CH Johnson Consulting to provide an analysis of the current convention center facilities and amenities as they relate to business retention and competition with newly constructed and renovated facilities throughout Washington. This analysis yielded the recommendation that the City provide upgraded audio, video and signage amenities immediately. Additionally, the consultant's report provided a list of recommended architectural and aesthetic improvements as well as long term plans for the expansion of the convention center.

The City began implementing some of these measures in 2008. In the summer of 2008, a complete replacement of the audio, video and presentation equipment and infrastructure was undertaken at a cost of approx \$550,000. Additionally, all of the floor coverings for the ground floor were replaced at a cost of \$130,000. Recent capital planning has focused on revitalization of the Convention Center Plaza as well as expansion of breakout space for the Center.

An additional \$17 million in needs were identified in the Johnson report including a parking structure and additional exhibit/ballroom space. It is anticipated that these additional phases of work will be funded through new hotel-motel revenues associated with new facilities coming on line in the city and from revenues associated with the operation of the Convention Center.

City of Wenatchee, Capital Facilities Plan, 2009 to 2014

**Convention Center Projects**

<b>Year</b>	<b>Project</b>	<b>Fund Source</b>	<b>Project Cost</b>
2009-2011	Minor Capital/Equipment	106 Reserves	225,000
2012-2014	Minor Capital/Equipment	106 Reserves	225,000
2010	Plaza Improvements	106 Reserves	300,000
2012-2014	Exhibit Hall Improvement	LTGO Bond	1,500,000
<b>Total</b>			<b>\$ 2,250,000</b>

**Convention Center Fund**

Estimated Revenues, Expenses and Changes in Fund Balance

For the years 2009 through 2014

	<i>Note</i>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>
<b>Revenues</b>							
Hotel / Motel Tax (40% to 106)	1	388,400	400,100	412,100	424,500	437,200	450,300
Hotel / Motel Tax (20% to 105)	1	194,200	200,000	206,000	212,200	218,600	225,200
Chelan County	3	65,000	65,000	65,000	65,000	65,000	65,000
West Coast commissions	1	195,000	200,900	206,900	213,100	219,500	226,100
Interest Income	5	11,200	20,900	14,800	17,100	19,700	22,700
East Wenatchee Hotel/Motel Tax	4	20,000	20,600	0	0	0	0
Miscellaneous	1	2,001	2,100	2,200	2,300	2,400	2,500
L.T.G.O. Bonds		0	0	0	0	0	0
Total revenues		875,801	909,600	907,000	934,200	962,400	991,800
<b>Expenses</b>							
Operating	2	417,438	430,000	442,900	456,200	469,900	484,000
Minor Capital	2	75,000	77,300	79,600	82,000	84,500	87,000
Capital			300,000				
Transfers out		0	0	0	0	0	0
Bond financed capital projects		0	0	0	0	0	0
Debt Service	6	302,418	305,208	307,590	309,558	306,110	307,463
Total expenses		794,856	1,112,508	830,090	847,758	860,510	878,463
Revenues over (under) expenses		80,945	-202,908	76,910	86,442	101,890	113,337
Fund balance, January 1		615,046	695,991	493,083	569,993	656,435	758,325
Fund balance, December 31		695,991	493,083	569,993	656,435	758,325	871,662

**Assumptions**

- 1 Revenues increase by 3%
- 2 Expenses increase by 3%
- 3 Chelan County ceases to pay after 2017 contract expiration
- 4 East Wenatchee ceases to pay after 2010 contract expiration
- 5 Interest earned on previous year FB 3%

**6 Debt Service Detail**

	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>
1993 LTGO Bonds	0	0	0	0	0	0
2007/1997 LTGO Bonds	240,223	239,413	243,395	246,963	240,115	243,268
2007 LTGO Bonds	62,195	65,795	64,195	62,595	65,995	64,195
Total	302,418	305,208	307,590	309,558	306,110	307,463



## Cemetery

The Cemetery Advisory Board was formed in 2004 to identify needs at the City's 34-acre facility and develop a plan for remedying the project budgetary shortfalls in the coming years. The Board identified a lack of certain commodities such as cremation niches, a scattering garden, full interment crypts and side-by-side full interment graves that have hurt the Cemetery's ability to generate revenue. Also, the City's rates for goods and services at the Cemetery had not kept pace with inflationary pressures.

In 2009, \$40,000 has been budgeted for additional capital improvements at the Cemetery for additional grave development. The long term Cemetery capital plan includes additional improvements to the Home of Peace mausoleum on Miller Street and the installation of additional facilities at the Cemetery including crypt walls, roadway drainage improvements, Veterans Section improvements and eventually opening of a new full interment section.

### Cemetery Projects

<i>Year</i>	<i>Project</i>	<i>Fund Source</i>	<i>Project Cost</i>
2009	Section O, Upright Grave Development	Fund 430	40,000
2010	Veterans section improvements	Fund 430	20,000
2012-2014	Satellite Niche Wall	Fund 430	50,000
2012-2014	Section M Irrigation	Fund 430	30,000
<b>Total</b>			<b>\$ 140,000</b>

## Vehicles

Most vehicles in the city's fleet are part of the Equipment Revolving and Replacement Fund (ER&R). Those vehicles with a useful life of at least ten years are considered as capital assets. The following vehicles have been identified for purchase above and beyond the annual replacement schedule.

In addition, with the anticipation of a voter approved bond for new fire facilities, it is anticipated that the cost of a new fire apparatus would be included.

<i>Year</i>	<i>Project</i>	<i>Fund Source</i>	<i>Project Cost</i>
2009	Motor Pool Hybrid - City-wide use	Fund 503	30,000
<b>Total</b>			<b>\$ 30,000</b>

## Real Estate Excise Tax

The State Legislature authorized cities to impose an excise tax that is paid by the seller of a piece of real estate. The authorization is in two separate sections, with two separate sets of limitations. The authorization (RCW 82.46) has specific limitations and responsibilities for jurisdictions planning under the Growth Management Act.

The 1st quarter percent Real Estate Excise Tax (REET) has fewer limitations, but still must be used for projects included in the Capital Facilities Plan. This tax was first enacted by the city in 1996. The city of Wenatchee has used this funding to pay a portion of the debt service on the 1998 councilmanic bonds for the street overlay program.

The 2nd quarter percent REET has more limitations. The list of capital projects is not as inclusive as the 1st Quarter. This tax was first enacted by the city in 1999. The city has previously dedicated this entire portion of the Real Estate Excise Tax to the Street Overlay program, which is authorized under the legislation.

Below is an overview of the two different legislative authorizations:

### 1st Quarter percent REET -- RCW 82.46.010

The legislative authority of any city may impose an excise tax on each sale of real property in the corporate limits of the city for the city tax at a rate not exceeding one-quarter of one percent of the selling price. After April 30, 1992, revenues generated from the tax imposed under RCW 82.46.010 in cities over five thousand population that are required or choose to plan under RCW 36.70A.040 shall be used solely for financing capital projects specified in a capital facilities plan element of a comprehensive plan and housing relocation assistance under RCW 59.18.440 and 59.18.450. However, revenues (a) pledged by such counties and cities to debt retirement prior to April 30, 1992, may continue to be used for that purpose until the original debt for which the revenues were pledged is retired, or (b) committed prior to April 30, 1992, by such counties or cities to a project may continue to be used for that purpose until the project is completed.

As used in this section, "capital project" means those public works projects of a local government for planning, acquisition, construction, reconstruction, repair, replacement, rehabilitation, or improvement of streets; roads; highways; sidewalks; street and road lighting systems; traffic signals; bridges; domestic water systems; storm and sanitary sewer systems; parks; recreational facilities; law enforcement facilities; fire protection facilities; trails; libraries; administrative and/or judicial facilities; river and/or waterway flood control projects by those jurisdictions that, prior to June 11, 1992, have expended funds derived from the tax authorized by this section for such purposes; and, until December 31, 1995, housing projects for those jurisdictions that, prior to June 11, 1992, have expended or committed to expend funds derived from the tax authorized by this section or the tax authorized by RCW 82.46.035 for such purposes.

**1st Quarter percent Projects**

In 2009 the City anticipates it will receive \$375,000 from the 1st quarter percent real estate excise tax. This tax was first enacted by the city in 1996. The city of Wenatchee has used approximately \$170,000 per year from this funding source to pay a portion of the debt service on the 1998 councilmanic bonds for the street overlay program.

The construction of the City's Public Service Center was completed in 2008. The bond annual payment is approximately \$236,000.

<b>1st 1/4% REET</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>
<b><u>Revenue</u></b>						
<b>1st 1/4% REET</b>	375,000	386,300	397,900	409,800	422,100	434,800
<b>IAC Grant</b>	0	0	0	0	0	0
<b>Interest income</b>	100	800	300	100	200	800
<b>Total revenues</b>	375,100	387,100	398,200	409,900	422,300	435,600
<b><u>Projects</u></b>						
<b>Bond payments</b>	406,380	403,820	405,300	405,631	405,031	408,081
<b>Capital projects</b>	100,000	0	0	0	0	0
<b>Pioneer Park</b>	0	0	0	0	0	0
<b>PW Building contribution</b>	0	0	0	0	0	0
<b>Total projects</b>	506,380	403,820	405,300	405,631	405,031	408,081
<b>Revenues over (under) projects</b>	-131,280	-16,720	-7,100	4,269	17,269	27519
<b>Beginning fund balance</b>	159,019	27,739	11,019	3,919	8,188	25,457
<b>Ending fund balance</b>	27,739	11,019	3,919	8,188	25,457	52,976
	CPI	CPI	CPI	CPI	CPI	CPI
	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
<b><u>Debt Service Payments</u></b>						
<b>1998 LTGO Bonds</b>	170,461	167,301	168,381	168,512	167,912	171,162
<b>2007 LTGO Bonds</b>	235,919	236,519	236,919	237,119	237,119	236,919
	406,380	403,820	405,300	405,631	405,031	408,081

**2nd Quarter percent REET-- RCW 82.46.035**

The legislative authority of any city that plans under RCW 36.70A.040(1) may impose an additional excise tax on each sale of real property in the corporate limits of the city for the city tax at a rate not exceeding one-quarter of one percent of the selling price. Revenues generated from the tax imposed RCW 82.46.035 shall be used by such counties and cities solely for financing capital projects specified in a capital facilities plan element of a comprehensive plan. However, revenues (a) pledged by such counties and cities to debt retirement prior to March 1, 1992, may continue to be used for that purpose until the original debt for which the revenues were pledged is retired, or (b) committed prior to March 1, 1992, by such counties or cities to a project may continue to be used for that purpose until the project is completed.

City of Wenatchee, Capital Facilities Plan, 2009 to 2014

As used in this section, "capital project" means those public works projects of a local government for planning, acquisition, construction, reconstruction, repair, replacement, rehabilitation, or improvement of streets, roads, highways, sidewalks, street and road lighting systems, traffic signals, bridges, domestic water systems, storm and sanitary sewer systems, and planning, construction, reconstruction, repair, rehabilitation, or improvement of parks.

The 2nd Quarter percent REET is proposed to be used primarily for the city's street overlay program. In 2009, the city is forecasting revenues of \$375,000.

## Partnership Projects / Economic Development

The City of Wenatchee operates within a region with the understanding that there may be a need to cooperate on needed community facilities or economic development projects.

The city is an active player in regional economic development working to facilitate and participate in projects that will be a catalyst for new private investment in the region.

The Greater Wenatchee Regional Events Center (Town Toyota Center) opened in 2008. There are \$41 million in outstanding bonds supported by the Greater Wenatchee Regional Events Center Public Facilities District which receives a rebate of .03% of the district's sales taxes that are sent to the state, revenues from the facility itself, and ultimately, the city supports bond payments if the facility and GWPFDD are unable to make those payments (through a contingent loan agreement approved upon the construction of the facility). The City will also continue to apply to Chelan County for LOTS funding to support the Events Center project as a critical economic development project for our region.,

In addition, the city is actively pursuing new state and federal resources to facilitate the development of projects identified in the adopted Central Business District subarea plan including improvements to downtown parking, streetscape, the development of a new workforce housing project, improvements to the Convention Center as discussed earlier and the work to master plan and redevelop the southern node of the Wenatchee Waterfront to create the Pybus Public Market concept. The city is also working with Burlington Northern Santa Fe in an effort to move their roundhouse operations to the Appleyard, thus freeing up rail crossings which are currently blocked for BNSF shift changes. City CDBG or Homeless/Housing Funds could be used to support the workforce housing project and a food bank distribution center

Opportunities to fund and complete additional projects on the waterfront may arise with the State Local Revitalization Financing (tax increment financing). Potential projects include the Pybus Market, Public Works Site Municipal Landfill Remediation and moorage, enhancement to Orondo Street to improve access and the waterfront gateway, and parking expansion at the intersection of Ninth Street and Walla Walla.

Other projects include discussions with the Wenatchee School District regarding a partnership to house the Wenatchee Applesox at Recreation Park. Funds are now being sought to improve the facility so the Applesox may relocate.

Finally, the City partnered with area agencies to leverage federal stimulus funds to complete the rehabilitation of the Wenatchee Reclamation Bridge. This project will be completed in 2009.

### Partnership Projects

<i>Year</i>	<i>Project</i>	<i>Fund</i>	<i>Amount</i>
2009-13	Greater Wenatchee Regional Events Center	LOTS Grant	1,000,000
2009	Wenatchee Reclamation Bridge	Federal Stimulus	1,500,000
2011-2013	*Pybus Market	undetermined	1,500,000
2011-2013	*Public Works Remediation/Boat Moorage	undetermined	7,000,000
2011-2013	*Orondo Waterfront Gateway and Ped. Access	undetermined	500,000
2011-2013	*Ninth Street Parking Expansion	undetermined	500,000
2011-2013	Food Bank	undetermined	750,000
2011-2013	Parking Expansion	undetermined	3,000,000
2011-2013	Burlington Northern	undetermined	1,000,000
2011-2013	Workforce Housing Project	undetermined	3,000,000
2011-2013	Wenatchee Applesox	undetermined	1,000,000
<b>TOTAL</b>			<b>\$ 20,750,000</b>

### Appendix A

City of Wenatchee Six Year Transportation Improvement Plan



Washington State Department of Transportation

Agency: Wenatchee

Co. No.: 04 Co. Name: Chelan Co.

City No.: 1405 MPO/RTPO: WYTC

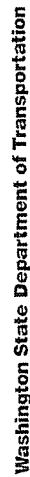
Six Year Transportation Improvement Program

From 2009 to 2014

Hearing Date: 7/10/2008 Adoption Date: 7/10/2008

Amend Date: 4/9/2009 Resolution No.: Ord. 2009-13

Project Identification		Project Costs in Thousands of Dollars				Expenditure Schedule (Local Agency)										Federally Funded Projects Only												
Functional Class	Priority Number	A. PIN/Federal Aid No.		B. Bridge No.		Improvement Type(s)	Status	Total Length	Utility Codes	Project Phase	Fund Source Information					Expenditure Schedule (Local Agency)					Envir. Type	R/W Required Date (MM/YY)						
		C. Project Title		D. Street/Road Name or Number							Phase Start (mm/dd/yyyy)	Federal Funding		State Fund Code	State Fund Code	Local Funds	Total Funds	1st	2nd	3rd			4th Thru 6th					
F. Describe Work to be Done		3		4	5	6	7	8	9	10		11	12								13	14		15	16	17	18	19
00	1	Street Overlay Program All City Streets from: City Wide Resurfacing to: City Wide		07	S	Varies		ALL	4/1/2009					6000	6000	500	500	4500	CE	No	No							
Totals																						6000	6000	500	500	500	500	4500
00	2	Miscellaneous / Minor / Undefined Varies, paving, Signals, ADA Upgrades, Sidewalks from: Miscellaneous unexpected projects to:			S			ALL	1/1/2009					300	300	50	50	50	150	CE	No	No						
Totals																						300	300	50	50	50	50	150
00	3	Storm Drain Improvements Varies from: Perform comprehensive plan update. Install new and larger pipes. to:		06	S			ALL	1/1/2009					1200	1200	200	200	200	600	CE	No	No						
Totals																						1200	1200	200	200	200	200	600
00	4	Historic Pipeline/Pedestrian Bridge Restoration from: Clean and Paint Bridge to:		10	S		G P T W	ALL	2/1/2009	ARRA -	1506			1506	1506	1506	200	200	600	CE	No	No						
Totals																						1506	1506	1506	200	200	600	



Agency: Wenatchee

Agency:	Wenatchee
Co. No.:	04
City No.:	1405
Co. Name:	Chelan Co.
MPORTPO:	WVTC

From 2009 to 2014	
Hearing Date:	7/10/2008
Adoption Date:	7/10/2008
Amend Date:	4/9/2009
Resolution No.:	Ord. 2009-13

Project Identification		B. Bridge No.	Improvement Type(s)	Status	Total Length	Utility Codes	Project Costs in Thousands of Dollars						Expenditure Schedule (Local Agency)						Federally Funded Projects Only		
Functional Class	Priority Number						Phase Start (mm/dd/yyyy)	Fund Source Information			Total Funds	1st			2nd			3rd	4th Thru 6th	Envir. Type	R/W Required Date (MM/YY)
								Project Phase	Federal Fund Code	Federal Cost by Phase		State Fund Code	State Funds	1st	2nd	3rd	4th				
1	2	3	4	5	6	7	CN	8	9	10	11	12	13	14	15	16	17	18	19	20	21
17	5	Riverside Drive and Piere Street Improvements Riverside Drive/Piere Street from: Worthen Street to: Walla Walla Ave Construct a new north-south roadway connection between Fifth Street and Ninth Street to align with Walla Walla Avenue on the north and Worthen Street on the south. Improve Piere Intersections at Fifth Street and Ninth Street.	0103	P	1.1	COSTSDO		1/1/2009				TPP	2334	4291	6625	6625				CE	Yes
16	6	South Wenatchee Avenue Improvements South Wenatchee Avenue from: Marr Street to: S. City Limits Installation of curb gutter and sidewalk. Includes minor widening and addition of a two-way left turn lane	050307	S	.51	CGPSW	PE CN	4/1/2009 6/1/2009	STP(R) STP(R)	185 1519				29 237	214 1756	100	114			CE	No
02	7	Washington - Miller Signal Upgrade Washington Street from: to: Install signal poles, new control, display, and detection systems	12	S	.1	PT	CN	7/1/2009			223			35	258	258				CE	Yes
08	8	Brick Street Preservation Orondo Avenue and Palouse Street from: Wenatchee Avenue to: Mission Street Repair Existing Concrete Patches and Brick to preserve historic and functional nature of brick streets.	0706	P	.13		ALL	1/1/2009	STP(R)	30					30	30				CE	No



Washington State Department of Transportation

Agency: Wenatchee

Co. No.: 04 Co. Name: Chelan Co.

City No.: 1405 MPO/RTPO: WVTC

Six Year Transportation Improvement Program

From 2009 to 2014

Hearing Date: 7/10/2008 Adoption Date: 7/10/2008

Amend Date: 4/9/2009 Resolution No.: Ord. 2009-13

Functional Class	Priority Number	Project Identification		Improvement Type(s)	Status	Total Length	Utility Codes	Project Costs in Thousands of Dollars						Expenditure Schedule (Local Agency)				Federally Funded Projects Only			
		A. PIN/Federal Aid No.	B. Bridge No.					Project Phase (mm/dd/yyyy)	Fund Source Information				Total Funds	1st	2nd	3rd	4th Thru 6th	Envr. Type	RW Required Date (MM/YY)		
									Federal Fund Code	Federal Cost by Phase	State Fund Code	State Funds								Local Funds	
1	2	3		4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21
00	9	Signal Light Upgrade to LED Bulbs		12	S			ALL	1/1/2009					30	30	30			CE	No	
Totals																					
14	10	North Wenatchee Avenue Right Turn Lane Extension SR285 / Wenatchee Avenue		04 12	P	.08	T S	PE CN	1/1/2009 4/1/2009	STP STP	54 260			9 40	63 300	54 313			CE	No	
Totals																					
19	11	Foothills Circulation and Access Study Various		12 31	S		C G O D S T W	ALL	1/1/2009				150		150	75			CE	No	
Totals																					
19	12	North Road		01 03 04 07 12	P	.25		ALL	2/1/2009					800	800			CE	Yes		
Totals																					





Washington State Department of Transportation

Agency: Wenatchee

Co. No.: 04 Co. Name: Chelan Co.

City No.: 1405 MPO/RTPO: WVTC

Six Year Transportation Improvement Program

From 2009 to 2014

Hearing Date: 7/10/2008 Adoption Date: 7/10/2008

Amend Date: 4/9/2009 Resolution No.: Ord. 2009-13

Project Identification		Project Costs in Thousands of Dollars		Expenditure Schedule (Local Agency)										Federally Funded Projects Only								
Functional Class	Priority Number	A. PIN/Federal Aid No.	B. Bridge No.	Improvement Type(s)	Status	Total Length	Utility Codes	Project Phase	Fund Source Information					Expenditure Schedule (Local Agency)					Envir. Type	R/W Required Date (MM/YY)		
									Phase Start (mm/dd/yyyy)	Federal Funding		State Fund Code	Local Funds	Total Funds	1st	2nd	3rd	4th Thru 6th				
Federal Fund Code	Federal Fund Cost by Phase	State Fund Code	Federal Fund Code	Federal Fund Cost by Phase	1st	2nd	3rd	4th Thru 6th														
1	2	3		4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	
14	13	McKlirick St. - Wenatchee Ave. Signal Project		12	S		C G O P T	CN	2/1/2010	STP	391			61	452		452		CE	Yes	9/1/2008	
								Totals			391			61	452		452					
17	14	Audible Pedestrian Signal Upgrades		32	S	N/A		ALL	2/1/2009	STP(R)	75			11	86	86			CE	No		
								Totals			75			11	86	86						
19	15	South Wenatchee Sidewalk Program			S	0.25	C G O P S	ALL	3/1/2009	CDBG	120				120	120			CE	No		
								Totals			120				120	120						
00	16	Pedestrian Safety Improvements		06	P		P T W S G C	ALL	1/1/2012			PSMP	432	108	540			540	CE	No		
								Totals					432	108	540			540				



Washington State Department of Transportation

Six Year Transportation Improvement Program

Agency: Wenatchee  
 Co. No.: 04 Co. Name: Chelan Co.  
 City No.: 1405 MPO/RTPO: WVTC  
 Hearing Date: 7/10/2008 Adoption Date: 7/10/2008  
 Amend Date: 4/9/2009 Resolution No.: Ord. 2009-13

From 2009 to 2014

Project Identification		B. Bridge No.		Improvement Type(s)	Status	Total Length	Utility Codes	Project Costs in Thousands of Dollars										Expenditure Schedule (Local Agency)				Federally Funded Projects Only	
Functional Class	Priority Number	A. PIN/Federal Aid No.	C. Project Title					Phase Start (mm/dd/yyyy)	Federal Funding			Fund Source Information			Expenditure Schedule (Local Agency)				Envir. Type	R/W Required Date (MM/YY)			
1	2		3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21		
00	17	Third Columbia River Bridge TS&L Study		31	P	.25	C T S D O W	ALL	1/1/2012	STP(R)	302			48	350				CE	No			
		N/A																					
		from: City of Wenatchee to: City of East Wenatchee																					
		Perform a Type Size and Location Study for a potential Third Columbia River Bridge.																					
		Totals						ALL	1/1/2012		302		AIP	2000	14000	16000			350				
	18	Hawley Street RR Grade Separation		01	P	.1	C T S R S C W	ALL	1/1/2012				AIP	2000	14000	16000			EA	Yes			
		Hawley Street																					
		from: Construct underpass at the Hawley Street RR Xing																					
		Totals						ALL	1/1/2012				AIP	1280	320	1600			CE	No			
17	19	Millerdale Improvements		03	P	.58	C G G O D S T W	ALL	1/1/2012				AIP	1280	320	1600			CE	No			
		Millerdale Avenue		05																			
		from: Miller Street to: Lambert Street		07																			
		Reconstruct portions of Millerdale. Add curb, gutter, and sidewalk. Makes safety improvements		12																			
		Totals						ALL	7/1/2012				AIP	800	200	1000			CE	Yes			
17	20	Red Apple Road Phase 1		03	P	.5	C G G S T W	ALL	7/1/2012				AIP	800	200	1000			CE	Yes			
		Red Apple Road																					
		from: Okanogan Ave to: Miller Street																					
		Arterial street reconstruction																					
		Totals						ALL	7/1/2012				AIP	800	200	1000			CE	Yes			



# Washington State Department of Transportation

## Six Year Transportation Improvement Program

From **2009** to **2014**

Agency: Wenatchee  
 Co. No.: 04 Co. Name: Chelan Co.  
 City No.: 1405 MPO/RTPO: WUTC

Hearing Date: 7/10/2008 Adoption Date: 7/10/2008  
 Amend Date: 4/9/2009 Resolution No.: Ord. 2009-13

Functional Class	Project Identification		Improvement Type(s)	Status	Total Length	Utility Codes	Project Costs in Thousands of Dollars						Expenditure Schedule (Local Agency)					Federally Funded Projects Only		
	Priority Number	A. PIN/Federal Aid No. B. Bridge No. C. Project Title D. Street/Road Name or Number E. Beginning MP or Road - Ending MP or Road F. Describe Work to be Done					Phase Start (mm/dd/yyyy)	Fund Source Information			Expenditure Schedule (Local Agency)				Envir. Type	R/W Required Date (MM/YY)				
								Federal Fund Code	Federal Cost by Phase	State Fund Code	State Funds	Local Funds	Total Funds	1st			2nd	3rd	4th Thru 6th	
																				Project Phase
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21
17	21	Red Apple Road Phase 2 Red Apple Road from: Miller Arterial street reconstruction  to: Skyline	03	P	.53	C G D S T W	ALL	7/1/2012			AIP	800	200	1000				1000	CE	Yes
Totals											800	200	1000					1000		
17	22	Pine Avenue Improvements Pine Avenue from: McKittrick Street Widen and reconstruct existing roadway, including curb, gutter, sidewalk, street lights and utilities.  to: Walnut Street	04 03	P	.25	C G D S T W	ALL	7/1/2012			AIP	1440	360	1800				1800	CE	Yes
Totals											1440	360	1800					1800		
17	23	McKittrick Street Improvements  from: Wenatchee Avenue Reconstruct roadway. Construct new storm sewer, sidewalks, illumination and signal on Wenatchee Ave.  to: Western Avenue	03 04 06 12	P	0.81	C G O P S T W	ALL	1/1/2012			AIP	1750	437	2187				2687	CE	Yes
Totals											1750	437	2187					2687		
16	24	Wenatchee Avenue and Ferry Street Traffic Signal Wenatchee Avenue from: Install signal poles, new control and detection systems  to:	12	P		C G P T	ALL	1/1/2012			AIP	280	70	350				350	CE	Yes
Totals											280	70	350					350		



# Washington State Department of Transportation

Agency: Wenatchee

Co. No.: 04 Co. Name: Chelan Co.

City No.: 1405 MPO/RTPO: WVTC

## Six Year Transportation Improvement Program

From 2009 to 2014

Hearing Date: 7/10/2008 Adoption Date: 7/10/2008

Amend Date: 4/9/2009 Resolution No.: Ord. 2009-13

Functional Class	Priority Number	Project Identification A. PIN/Federal Aid No. C. Project Title D. Street/Road Name or Number E. Beginning MP or Road - Ending MP or Road F. Describe Work to be Done	Improvement Type(s)	Status	Total Length	Utility Codes	Project Costs in Thousands of Dollars							Expenditure Schedule (Local Agency)					Federally Funded Projects Only		
							Project Phase (mm/dd/yyyy)	Fund Source Information			Total Funds	1st	2nd	3rd	4th Thru 6th	Envlr. Type	R/W Required Date (MM/YY)				
								Phase Start	Federal Fund Code	Federal Fund Cost by Phase								State Fund Code	State Funds	Local Funds	
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	
14	25	Maple and Western Traffic Signal Maple Street from: Install new traffic signal display, detection and control system. to:	12	P	0.10	P	ALL	1/1/2012				AIP	240	60	300				300	CE	Yes
16	26	Railroad Grade Crossing Upgrades Orondo, Ninth, Miller, Hawley from: Install median barrier or double signal arms to prevent vehicles from driving around signal gates. Mitigation to continue train whistle ban. to:	12	P			ALL	1/1/2012					80	20	100				100	CE	No
14	27	Mission and Crawford Widening Improvements Mission from: Widen Mission Street on east side, south of Crawford. Install left turn channelization and left turn signals for northbound and southbound traffic. Install video detection. to:	05 12	P	0.06		ALL	1/1/2012					80	20	100				100	CE	Yes
14	28	Wenatchee Avenue and Thurston Street Signal Wenatchee Avenue from: Thurston Street to: Thurston Street Construct new traffic signal.	03 05 12	P	.1	C G P T W	ALL	7/1/2012				AIP	280	70	350				350	CE	Yes
Totals													280	70	350				350		



# Washington State Department of Transportation

Agency: Wenatchee

Co. No.: 04 Co. Name: Chelan Co.

City No.: 1405 MPO/RTPO: WYTC

## Six Year Transportation Improvement Program

From 2009 to 2014

Hearing Date: 7/10/2008 Adoption Date: 7/10/2008

Amend Date: 4/9/2009 Resolution No.: Ord. 2009-13

Project Identification		Project Costs in Thousands of Dollars				Expenditure Schedule (Local Agency)					Federally Funded Projects Only											
Functional Class	Priority Number	A. PIN/Federal Aid No.	B. Bridge No.	Improvement Type(s)	Status	Total Length	Utility Codes	Fund Source Information					1st2nd3rd4th Thru 6th				Envir. Type	R/W Required Date (MM/YY)				
								Phase Start (mm/dd/yyyy)	Federal Fund Code	Federal Cost by Phase	State Fund Code	State Funds							Local Funds	Total Funds		
1	2	3		4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	
14	29	Miller Street - First Street Signal Miller Street from: First Street to: Install signal poles, new control and detection systems		12	P	0.1	C G T	ALL	1/1/2012				280	70	350				CE		Yes	
16	30	Western Avenue / Number Two Canyon Road Improvements Western Avenue / No. 2 Canyon Road from: Cherry Street to: Skyline Drive Reconstruct existing roadway, including realignment of one curve, curb, gutter, sidewalk, and street lights.		03 01 04	P	.36	C G S T W	ALL	7/1/2012			AIP	960	240	1200				CE		Yes	
14	31	Springwater and Western - Traffic Signal Western Avenue from: Construct new traffic signal display, control, and detection system		12	P		W T G C P S	ALL	1/1/2012			AIP	298	52	350				CE		Yes	
16	32	Walla Walla to Hawley Connection Walla Walla from: Walla Walla curve to: Hawley / Miller Intersection Acquire ROW. Construct new roadway on new alignment.		01	P	0.27	G O P S T W C	ALL	1/1/2012			AIP	298	52	350				EA		Yes	
Totals													280	70	350							
Totals													AIP	960	240	1200						
Totals													AIP	960	240	1200						
Totals													AIP	298	52	350						
Totals													AIP	298	52	350						
Totals													AIP	640	160	800						
Totals														640	160	800						



Washington State Department of Transportation

Agency: Wenatchee

Co. No.: 04 Co. Name: Chelan Co.

City No.: 1405 MPO/RTPO: WYTC

Six Year Transportation Improvement Program

From 2009 to 2014

Hearing Date: 7/10/2008 Adoption Date: 7/10/2008

Amend Date: 4/9/2009 Resolution No.: Ord. 2009-13

Functional Class	Priority Number	Project Identification		Improvement Type(s)	Status	Total Length	Utility Codes	Project Costs in Thousands of Dollars						Expenditure Schedule (Local Agency)					Federally Funded Projects Only		
		A. PIN/Federal Aid No.	B. Bridge No.					Phase Start (mm/dd/yyyy)	Fund Source Information			Total Funds	1st	2nd	3rd	4th Thru 6th	Envir. Type	R/W Required Date (MM/YY)			
									Federal Fund Code	Federal Cost by Phase	State Fund Code										
1	2		3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21
17	33	Walnut Street - Pine to Rogers Walnut Street from: Pine Ave to: Rogers Reconstruction project to meet urban standards.		01	P	0.1	C O S T D G	ALL	1/1/2012			AIP	640	160	800				800	CE	Yes
		Totals						Totals					640	180	800				800		
14	34	Fifth and Western Turn Lane Improvements Western Avenue from: Fifth Street to: Fifth Street Improve turning movements by adding right turn lanes on Western Avenue.		05 12 03	P	.1	C G P T W	ALL	7/1/2012					400	400				400	CE	Yes
		Totals						Totals						400	400				400		
14	35	Chelan Avenue and Orondo Avenue Right Turn Lane Chelan Avenue from: Orondo Avenue to: Orondo Avenue Improve turning movements onto Orondo Avenue by adding a right turn lane on Chelan Avenue.		03 05 12	P	.1	C G P T W	ALL	7/1/2009	STP(S)	307				307	30	277			CE	Yes
		Totals						Totals			307				307	30	277				
19	36	Elliot Street Connection Elliot Street from: Fifth Street to: Orchard Acquire some Right of Way. Construct new roadway and sidewalks, storm drainage, reconstruct portions of existing roadway.		01 03 12	P	0.24	C G P S T W	ALL	1/1/2012					500	500				500	CE	Yes
		Totals						Totals						500	500				500		



# Washington State Department of Transportation

# Six Year Transportation Improvement Program

From **2009** to **2014**

Agency: Wenatchee  
 Co. No.: 04 Co. Name: Chelan Co.  
 City No.: 1405 MPO/RTPO: WUTC

Hearing Date: 7/10/2008 Adoption Date: 7/10/2008  
 Amend Date: 4/9/2009 Resolution No.: Ord. 2009-13

Project Identification		Project Costs in Thousands of Dollars		Expenditure Schedule (Local Agency)										Federally Funded Projects Only															
Functional Class	Priority Number	A. PIN/Federal Aid No.	B. Bridge No.	C. Project Title	D. Street/Road Name or Number	E. Beginning MP or Road - Ending MP or Road	F. Describe Work to be Done	Improvement Type(s)	Status	Total Length	Utility Codes	Project Phase	Fund Source Information					Expenditure Schedule (Local Agency)				Envir. Type	R/W Required Date (MM/YY)						
													Phase Start (mm/dd/yyyy)	Federal Funding		State Fund Code	State Fund Funds	Local Funds	Total Funds	1st	2nd			3rd	4th Thru 6th				
Federal Fund Code	Federal Cost by Phase	State Fund Code	State Fund Funds	Local Funds	Total Funds	1st	2nd	3rd	4th Thru 6th																				
1	2		3					4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21				
16	37	Crawford and Okanogan Traffic Signal Crawford Avenue from: to: Install new signal when warrants are met.						05 12	P		0.1	C	ALL	7/1/2012			AIP	320	80	400				400	CE	Yes			
17	38	Crawford Avenue - Wenatchee Ave to Mission St Sidewalk Crawford Avenue from: Wenatchee Avenue to: Mission Street Construct sidewalk, curb and gutter						12	P	0.7	C	ALL	1/1/2012				PSMP	200	50	250				250	CE	Yes			
14	39	Traffic Signal Radio Interconnect and Optimization Various from: to: Install radio interconnect equipment in isolated intersections. Conduct comprehensive traffic signal timing plan study, and implement traffic responsive time of day plans.						12	P			P	ALL	1/1/2012				160	40	200				200	CE	No			
14	40	North/South Corridor Analysis North Wenatchee Ave. Capacity Study from: Stevens St to: North Wenatchee Corridor Analysis and Improvements.						31	P				PE	1/1/2012	STP(U)	300	86.5		300				300	CE	No				
Totals												300												300				300	



Washington State Department of Transportation

Six Year Transportation Improvement Program

Agency: Wenatchee

Co. No.: 04 Co. Name: Chelan Co.

City No.: 1405 MPO/RTPO: WUTC

From 2009 to 2014

Hearing Date: 7/10/2008 Adoption Date: 7/10/2008

Amend Date: 4/9/2009 Resolution No.: Ord. 2009-13

Functional Class	Project Identification		Improvement Type(s)	Status	Total Length	Utility Codes	Project Costs in Thousands of Dollars							Expenditure Schedule (Local Agency)						Federally Funded Projects Only				
	Priority Number	A. PIN/Federal Aid No. B. Bridge No. C. Project Title D. Street/Road Name or Number E. Beginning MP or Road - Ending MP or Road F. Describe Work to be Done					Phase Start (mm/dd/yyyy)	Fund Source Information				Expenditure Schedule (Local Agency)						Envir. Type	RW Required Date (MM/YY)					
								Federal Fund Code	Federal Cost by Phase	State Fund Code	State Funds	Local Funds	Total Funds	1st	2nd	3rd	4th Thru 6th							
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21				
00	41	Bus Rapid Transit Study  from: Olds Station Partner with Link to evaluate Bus Rapid Transit to: East Wenatchee	10	P	.25	O	PE	7/1/2012	STP(U)	50					50				CE		No			
Totals							50					50							50					
16	42	No. 1 Canyon Secondary Access Study Fifth Street from: Woodward Drive to: Perform study of alternatives for developing a secondary access to No. 1 Canyon	06	P			PE	1/1/2012					50	50					CE		No			
Totals							50					50							50					
	43	Central Business District Circulation Study Orondo Avenue from: Kittitas to: Second Perform study of possible circulation improvements to the downtown.		P			PE	7/1/2011					50	50					CE		No			
Totals							50					50							50					
00	44	Comprehensive Level of Service Study Various from: Study Level of Service and Capacity Issues to:	12	P			ALL	1/1/2012	STP(U)				50	50					CE		No			
Totals							50					50							50					





# Washington State Department of Transportation

## Six Year Transportation Improvement Program

Agency: Wenatchee

Co. No.: 04 Co. Name: Chelan Co.

City No.: 1405 MPO/RTPO: WVTC

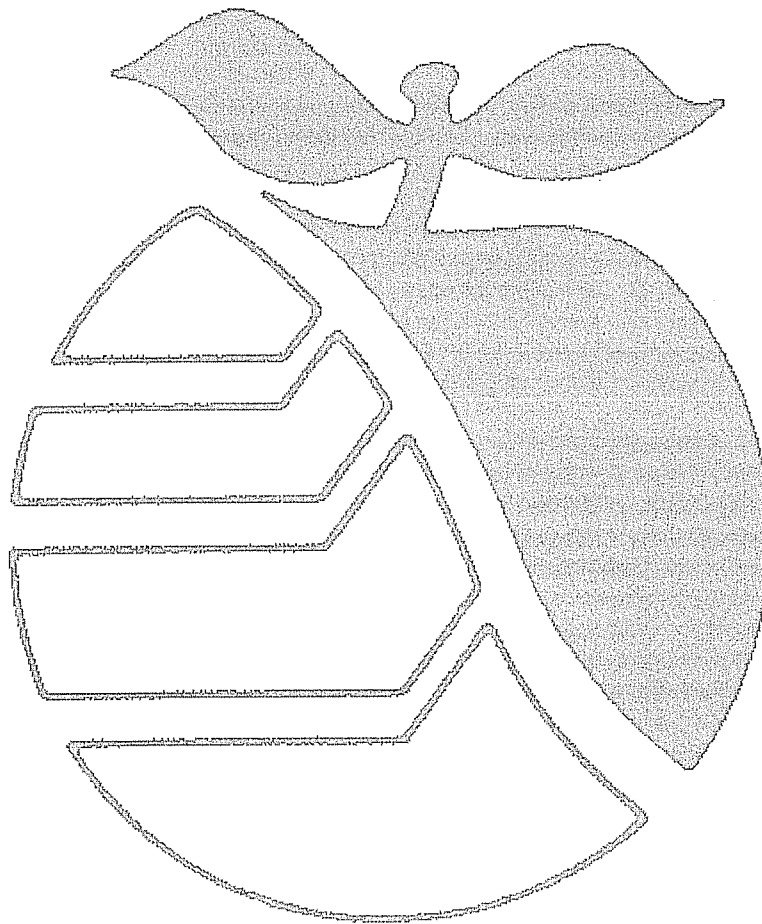
Hearing Date: 7/10/2008 Adoption Date: 7/10/2008

Amend Date: 4/9/2009 Resolution No.: Ord. 2009-13

From **2009** to **2014**

Project Identification		Project Costs in Thousands of Dollars					Expenditure Schedule (Local Agency)										Federally Funded Projects Only																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																									
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C. Project Title		D. Street/Road Name or Number	E. Beginning MP or Road - Ending MP or Road	F. Describe Work to be Done	4	5	6		7	8				9	10	11	12	13	14		15	16	17	18	19	20	21																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																															
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17	45	Okanogan Sidewalk - Crawford to Ferry Okanogan Avenue from: Crawford Avenue to: Ferry Street Construct new sidewalk, curb, and gutter		12	P	0.72	C G P L	ALL	1/1/2012							PSMP	200	35	235						CE	No																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																
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## Part 6. Debt Issues



**DEBT MANAGEMENT ISSUES**

The Wenatchee City Council's guiding principal towards debt management has been to issue bonds only for capital construction/purchases and only when it is not possible to finance such projects with existing cash and investments. Prior to the issuance of debt there are protracted discussions regarding what the issuance of debt will mean to the City in terms of the enhancement of services offered versus the resultant impact on:

- Utility rates (in the case of revenue bonds)
- Existing levels of service as a result of committing current financial resources (in the case of nonvoted general obligation bonds)
- Overall property tax burden of the citizens (in the case of voted general obligation bonds)

**External Debt Outstanding**

As of December 31, 2009 the City has a number of external debt issues outstanding including:

- Four revenue bond issues and one State Revolving Fund Loan that are secured by the revenues of the City's Water/Sewer, Regional Water and Storm Drain Funds.
- Six Limited Tax General Obligation (LTGO) or non-voted issues that are secured by the full faith and credit of the City (see Part 9 of this document for further information).
- One Unlimited Tax General Obligation (UTGO) or voted bond issue that is secured by the full faith and credit of the City (see Part 9 of this document for further information).
- One Loan Guarantee for a portion of bonds issued in 2002 by Chelan County for the construction of the Rivercom (a two County emergency services dispatch center).

As a part of the bond issuance process, for each bond issued since 1997 the City has met with representatives of Moody's and Standard and Poor's in order to make rating presentations and ultimately receive a rating. These ratings are periodically reviewed and updated by each rating agency. A summary of the ratings the City currently carries on each of the bond issue types (UTGO, LTGO and Revenue) follows:

<u>Bond Type</u>	<u>Moody's</u>	<u>Standard &amp; Poor's</u>
Revenue Bonds	A3	AA-
UTGO Bonds	A2	A
LTGO Bonds	A3	A

A summary of estimated outstanding debt at the end of 2009 follows (final figures for year-end are not available at the writing of this document):

Debt Type	Interest Rates	Maturity	Authorized	Outstanding Jan. 1, 2009	Issued	Redeemed	Outstanding Dec. 31, 2009
<b>Revenue Bonds:</b>							
1998 Water/Sewer	3.90-5.25%	12/1/2023	\$ 2,720,000	\$ 2,080,000	\$ 0	\$ 95,000	\$ 1,985,000
1998 Storm Drain	3.90-5.15%	12/1/2018	3,190,000	1,960,000	0	155,000	1,805,000
2004 Water/Sewer	2.50-3.50%	12/1/2011	8,205,000	2,680,000	0	865,000	1,815,000
2007 Water/Sewer	4.00-4.30%	12/1/2027	5,225,000	5,055,000	0	180,000	4,875,000
SRF Loan	1.50%	12/30/2026	7,391,665	6,913,607	0	337,118	6,576,489
			\$ 26,731,665	\$ 18,688,607	\$ 0	\$ 1,632,118	\$ 17,056,489
<b>G.O. Bonds:</b>							
1993 LTGO	3.25-5.75%	12/1/2008	\$ 800,000	\$ 0	\$ 0	\$ 0	\$ 0
1998 LTGO	3.85-5.05%	12/1/2014	4,085,000	1,885,000	0	280,000	1,605,000
2001 UTGO	2.10-4.90%	12/1/2021	4,800,000	3,520,000	0	210,000	3,310,000
2007 LTGO	4.00-4.30%	12/1/2027	4,045,000	3,900,000	0	150,000	3,750,000
2007 LTGO	4.15%	12/1/2021	2,560,000	2,415,000	0	140,000	2,275,000
2008 LTGO BAN	75% of prime	12/1/2011	3,100,000	2,961,750	104,879	0	3,066,629
2009 LTGO BAN	85% of prime	3/1/2011	3,000,000	0	2,431,902	0	2,431,902
			\$ 22,390,000	\$ 14,681,750	\$ 2,536,781	\$ 780,000	\$ 16,438,531
<b>Loan Guarantee</b>							
2002 Chelan County/Rivercom							
Loan Guarantee	1.80-4.90%	12/1/2022	\$ 640,000	\$ 510,000	\$ 0	\$ 27,500	\$ 482,500
Total of all external debt types			\$ 49,761,665	\$ 33,880,357	\$ 2,536,781	\$ 2,439,618	\$ 33,977,520

**Internal Debt Outstanding**

The City is periodically able to finance borrowings for projects internally using excess reserves in various funds. As of December 31, 2009 the City had two internal debt issues outstanding not including one internal issue upon which the final monthly installment was made in December 2009.

- A \$266,000 loan was made from the Cemetery Trust Fund to the General Fund via Resolution #2001-03 adopted by the City Council on March 8, 2001. The purpose of the loan was to partially fund a City contribution of \$700,000 in the Performing Arts Center. Terms of the loan are that monthly payment installments be made over the ten-year period of January 2000 through December 2009 at an annual interest rate of 5.5%.
- A \$600,000 loan was made from the Cemetery Trust Fund to the General Fund via Resolution #2008-59 adopted by the City Council on September 25, 2008. The purpose of the loan was to partially finance the City's \$4,000,000 investment in the GWRECPFD event center facility. Terms of the loan are that monthly payment installments be made over the ten-year period of October 2008 through September 2018 at an annual interest rate of 3.592%.
- A \$1,000,000 loan was made from the Water/Sewer Fund to the CERB Grant Capital Projects Fund via Resolution #2008-58 adopted by the City Council on September 25, 2008. The loan was necessary to cover a \$1,000,000 CERB retainage on a \$10,000,000 CERB grant. The \$1,000,000 will be released upon completion of the Riverside Drive Project which is expected to take place in early 2010. Terms of the loan are that monthly interest only payments be made until the conclusion of the project (but no later than September 30, 2010) at which point the loan principal will be repaid with the CERB grant proceeds. Interest is computed at 2.33% per annum. Because the Riverside Drive Project is primarily a general government infrastructure project rather than a utility driven project the interest payments will be made by the General Fund throughout the life of the loan.

Debt Type	Interest Rate	Maturity	Authorized	Outstanding Jan. 1, 2009	Issued	Redeemed	Outstanding Dec. 31, 2009
Cemetery Trust Fund (#610) to General Fund (#001)	5.50%	Dec 2009	\$ 266,000	\$ 33,631	\$ 0	\$ 33,631	\$ 0
Cemetery Trust Fund (#610) to General Fund (#001)	3.59%	Sept 2018	600,000	587,473	0	51,244	536,229
Water/Sewer Fund (#401) to CERB Grant Fund (#313)	2.33%	Sept 2011	1,000,000	1,000,000	0	0	1,000,000
			<u>\$ 1,866,000</u>	<u>\$ 1,621,104</u>	<u>\$ 0</u>	<u>\$ 84,875</u>	<u>\$ 1,536,229</u>

### Future Debt Plans

Each year a number of smaller capital improvement projects are financed with current year revenues, however due to the magnitude of opportunities/challenges faced by the City (see the Budget Message in Part 1 of this document for further discussion as well as Part 5 for the City's Capital Facilities Plan) it is widely acknowledged that the necessary renovations or replacements of buildings and/or infrastructure must be financed through the issuance of long-term debt. Depending upon the nature of the capital project and the source of funds for the eventual repayment of any money borrowed, the City will likely issue debt in a number of forms including LTGO (non-voted), UTGO (voted) and Revenue Bonds.

### Debt Capacity

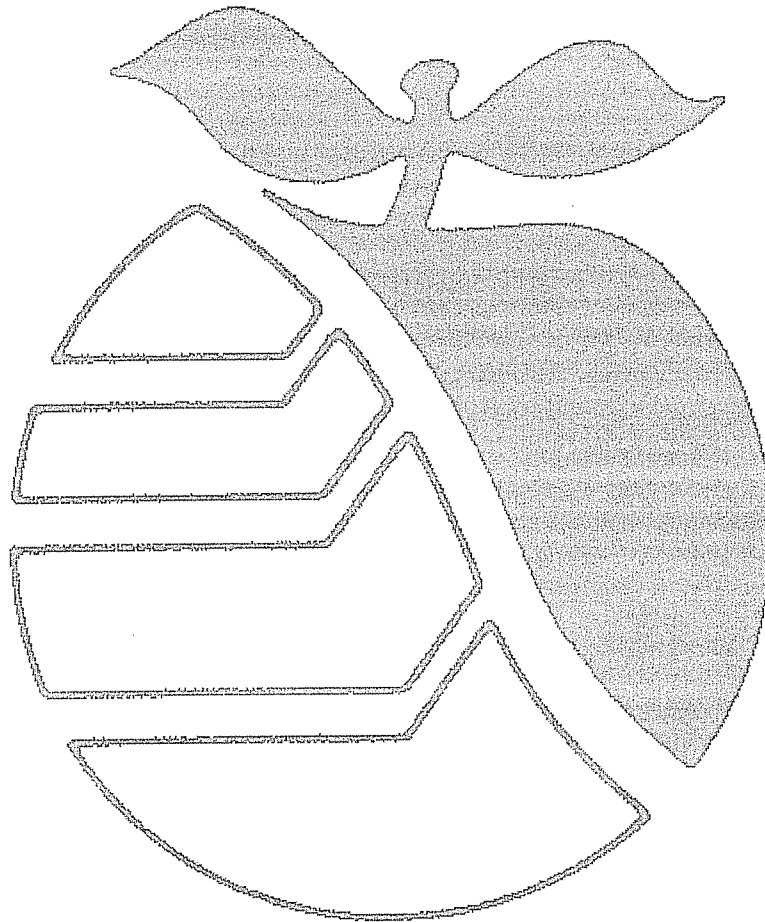
Washington State law provides that general obligation debt cannot be incurred in excess of the following percentages of the value of taxable property of the City:

- A total of 2.5% for General Purpose allocated between:
  - Up to 1.5% without a public vote (councilmanic or LTGO).
  - Up to 1.0% with a public vote (UTGO).
- A total of 2.5% for utility purposes with a public vote.
- A total of 2.5% for open space, park and capital facilities with a public vote.

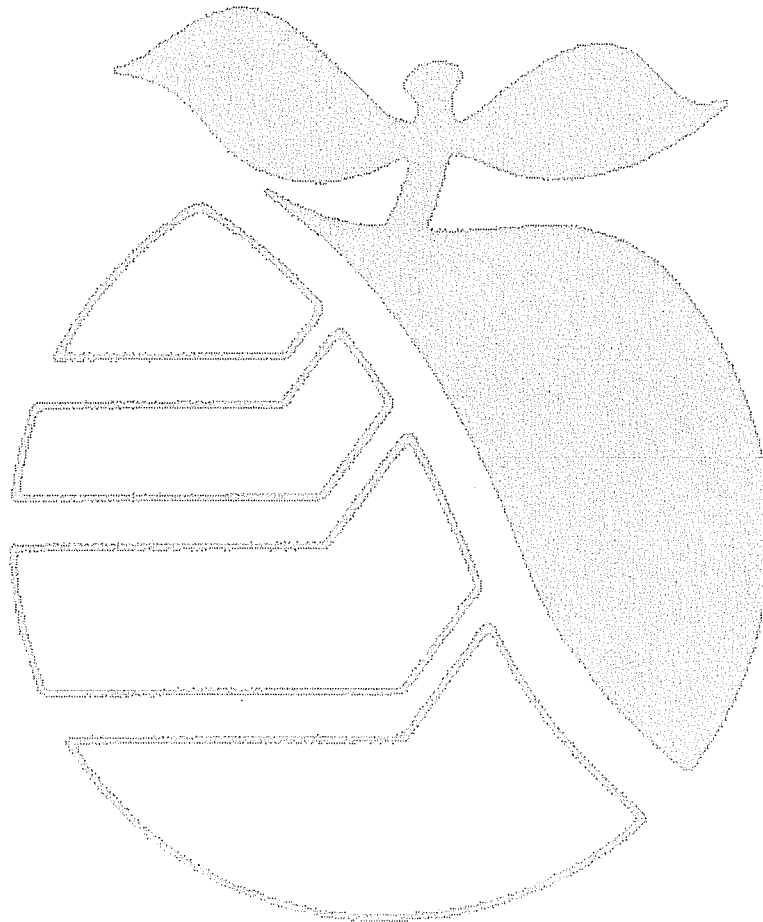
At December 31, 2009, the estimated debt limits for the City are as follows (final figures for year-end are not available at the writing of this document):

	2.5% General Purpose		With a Public Vote		Total
	Without a Public Vote 1.50%	With a Public Vote 1.00%	Utility Purpose 2.50%	Open Space, Park, and Capital Facilities 2.50%	
Legal Limit	33,195,976	22,130,651	55,326,627	55,326,627	165,979,881
Outstanding Indebtedness	(13,128,531)	(3,310,000)	0	0	(16,438,531)
Margin Available	<u>20,067,445</u>	<u>18,820,651</u>	<u>55,326,627</u>	<u>55,326,627</u>	<u>149,541,350</u>
The margin available is based upon the Chelan County Assessor's Office <u>preliminary</u> estimate of 2009 assessed values for 2010 levies and taxes			<u>\$2,213,065,075</u>		

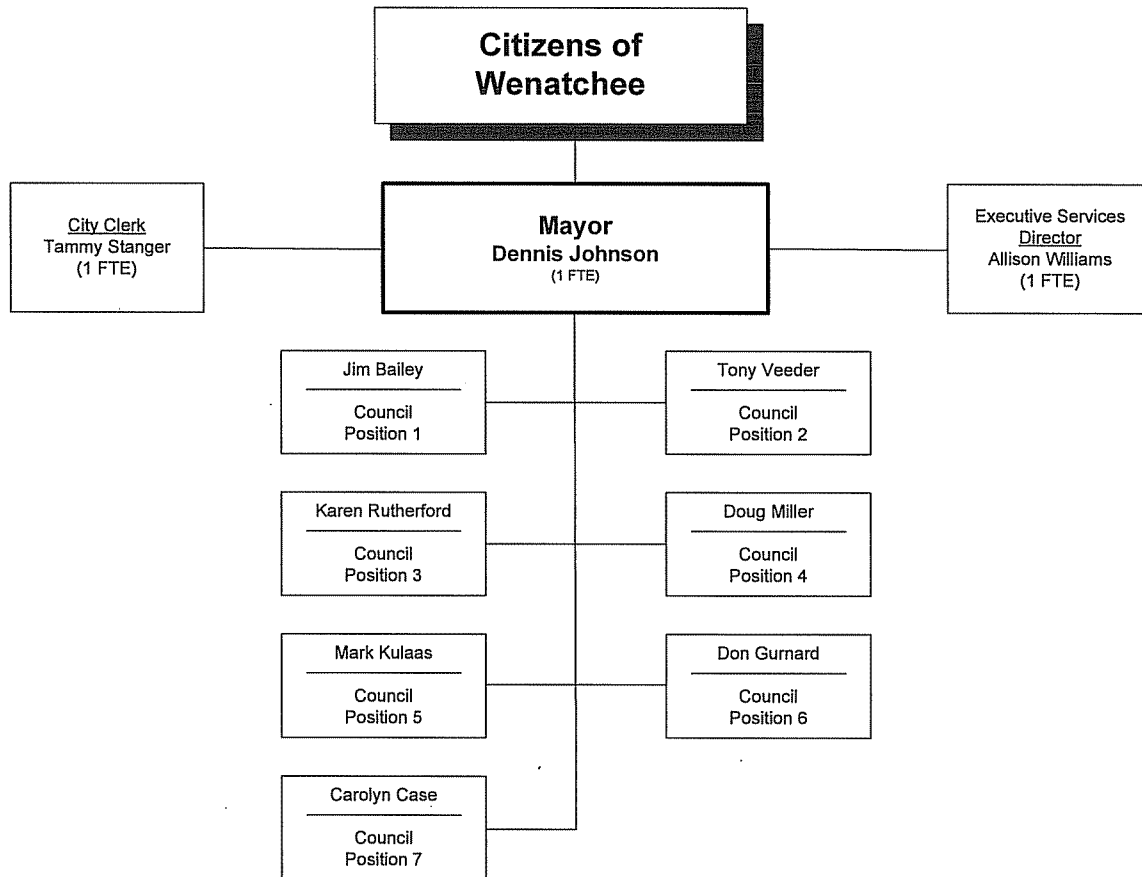
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## Part 7. General Fund



**Mayor/Council**  
**Total 2010 Appropriations \$564,508**  
**3.0 FTE**



### **Department Description**

Under the Mayor/Council form of government, the Mayor is the official and ceremonial head of the City. He serves as the chief executive officer and is charged with the responsibility of ensuring that all policies, laws and ordinances enacted by the Council are carried out. The Mayor sets the agenda for, and presides over, all City Council meetings and reports to the Council regarding City affairs including operational, financial and other needs. He also makes recommendations for Council consideration and action. Additionally, the Mayor is responsible for the creation and presentation of the City's annual operating and capital budgets.

The City Council is comprised of seven members who represent the needs and concerns of citizens. Through legislative action the Council sets policy and provides direction to be carried out by the Mayor and appointed staff. Among other things, the Council is responsible for establishing and prioritizing levels of service for all City operations and for the adoption of the City's annual operating and capital budgets. Council members and the Mayor represent the city in serving on various community boards and councils.

The staff of the department includes the Executive Services Director and City Clerk.

The City Council generally meets in the Council Chambers at Wenatchee City Hall on three evenings each month at 5:15 p.m. Work sessions are held on the third Thursday of the month



while regular meetings are held on the second and fourth Thursdays of each month. A brief description of these meetings is outlined below:

- **Work Session:** Work Sessions are reserved for the education of the City Council members by either City staff or community organizations and are intended to create a dialogue and understanding of issues that may require future City Council action. No formal or public comment is taken at the Work Sessions.
- **Regular Meeting:** Regular City Council meetings are held to discuss and deliberate agenda items that require formal City Council action; although other issues and topics may be presented and discussed. Any member of the public may address the Mayor and Council at the regular meetings.

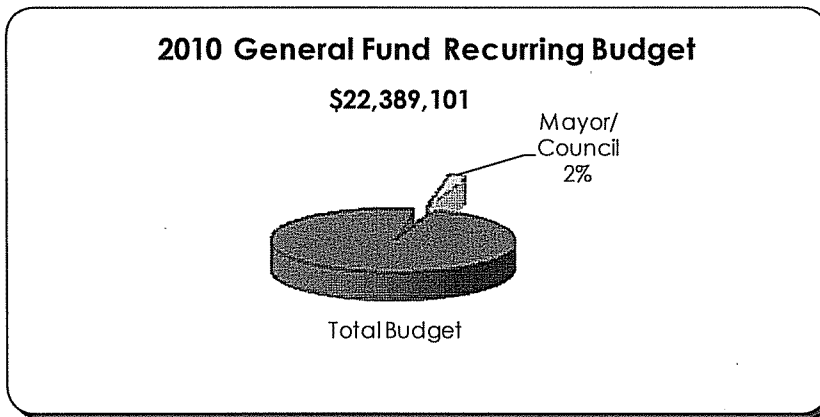
### **Expenditure Summary**

Expenditure by Object	2006 Actual	2007 Actual	2008 Actual	2009 Budget	2010 Budget	Variance 2010 vs. 2009 Budget	
						Amount	Percent
Salaries & Wages	\$247,027	\$298,147	\$367,364	\$345,985	\$297,160	(\$48,825)	-14.11%
Payroll Taxes & Benefits	47,534	68,112	86,418	89,809	86,143	(3,666)	-4.08%
Supplies	12,407	13,430	15,285	14,450	19,950	5,500	38.06%
Other Services & Charges	132,985	136,364	127,303	109,960	96,255	(13,705)	-12.46%
Intergovernmental	39,024	53,494	48,655	65,000	65,000	0	0.00%
<b>Total Expenditures</b>	<b>\$478,977</b>	<b>\$569,547</b>	<b>\$645,025</b>	<b>\$625,204</b>	<b>\$564,508</b>	<b>(\$60,696)</b>	<b>-9.71%</b>
<b>Less nonrecurring expenditures:</b>							
Public Facility District	76,341	28,701	64,768	1,000	0	(1,000)	-100.00%
Information Technology Additions	0	0	0	0	0	0	#DIV/0!
Total nonrecurring expenditures	76,341	28,701	64,768	1,000	0	(1,000)	-100.00%
<b>Total Recurring Expenditures</b>	<b>402,636</b>	<b>540,846</b>	<b>580,257</b>	<b>624,204</b>	<b>564,508</b>	<b>(59,696)</b>	<b>-9.56%</b>

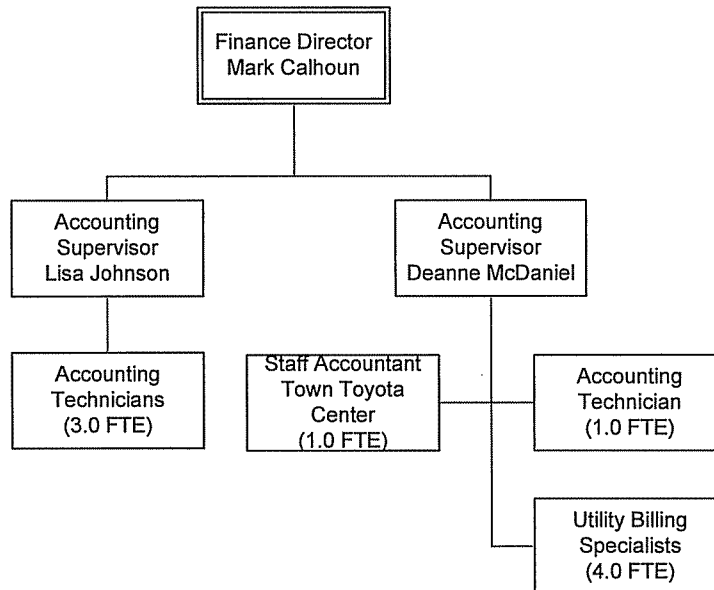
**Personnel Summary**

Position	2006 Actual	2007 Actual	2008 Actual	2009 Budget	2010 Budget
Mayor	1	1	1	1	1
Council Members*	7	7	7	7	7
Director of Administrative Svcs	1	0	0	0	0
Executive Services Director	0	1	1	1	1
City Clerk	1	1	1	1	1
Administrative Assistant	0	0.75	0.75	0.88	0
Event Cntr Project Mngr	0	0.75	0.75	0	0
<b>Total Personnel</b>	<b>3</b>	<b>4.5</b>	<b>4.5</b>	<b>3.88</b>	<b>3</b>

\* Each of the 7 Council members are compensated at the rate of \$665 per month and are not included as FTEs.

**Percentage of Recurring General Fund Budget**

**Finance Department**  
**Total 2010 Appropriations \$1,100,257**  
**12 FTE**



*The Finance Department's mission is to assist the Mayor, Council, City Staff and Citizens in the areas of financial planning, budgeting, reporting and overall stewardship of the City's resources.*

#### **Department Description**

The Finance Department is charged with the responsibility of the administration, coordination, supervision and control of all financial activities of the City. These functions are performed through a combination of interrelated activities including financial management, general accounting and customer services.

- Financial management responsibilities include activities such as budget development and monitoring, treasury control and management of the City's cash and investment portfolio, debt financing and management including periodic updates of bond ratings, and working with public works staff on periodic utility rate studies. Additionally, with the Human Resources department, collectively administers the City's risk management and self-insurance programs.
- General accounting responsibilities include activities such as internal and external financial reporting, general ledger accounting, audit coordination, cash receipting, payroll processing, accounts payable and accounts receivable and purchasing.
- Customer service staff are often the first contact the public has with City government. They answer questions regarding City operations and direct customers to other City Departments when necessary. Customer service activities include:
  - Utility billing and collection of the City's water, sewer, garbage and storm drain utilities.
  - Business license issuance.
  - Local improvement district billings.

Particularly noteworthy to the Finance Department beginning in 2009 and extending into subsequent years is the fact that we will be performing all finance and accounting functions on behalf of the Greater Wenatchee Regional Events Center Public Facilities District (PFD). This

came about as a result of the PFD terminating its management contract with Global Entertainment to manage the Town Toyota Center. Due to the added workload in the Finance Department, our 2010 Budget reflects the addition of 1 Staff Accountant whose primary responsibilities will be to focus on the Town Toyota Center operation. In addition to finance and accounting services, the City will also provide IT and HR services (each of which will require no additional City staff). By interlocal agreement, the PFD will pay the City \$80,000 in 2010 for this basket of services.

### **2009 Accomplishments**

- Completed the sixth set of financial statements (dated December 31, 2008) that reflected Governmental Accounting Standards Board statement #34 (GASB 34). In this version of statements we included the GWREC PFD as a component unit for the second year.
- Received a "clean audit opinion" from the Washington State Auditor's Office on the 2008 Annual Financial Report with minimal audit recommendations and no findings.
- Prepared periodic financial reports and project specific reports as requested for use by the Mayor, Council and Directors.
- Completed the third set of financials for the GWREC PFD and the first detailed audit of this operation by the State Auditor's Office. Result was a clean opinion with no findings.
- During the latter part of 2008 we obtained up to \$3.1 million in interim financing from the Cashmere Valley Bank to finance completion of the Public Services Facility. Monitored progress of this project throughout 2009 and made draws as necessary to cover related costs.
- Secured up to \$3.0 million in interim financing from the Cashmere Valley Bank for the LID portion of the Riverside Drive Project and made draws as necessary to cover related costs.
- Worked with the GWREC PFD to identify problems with Global Entertainment accounting systems and management performance relative to pro forma financial projections. Ultimately recommended the termination of Global Entertainment as the facility manager. Subsequently the City Finance Department took over all accounting functions from Global.
- Successfully completed the 2010 Budget (document development is underway).
- Payroll cycles were completed in an accurate and timely manner.
- City bills were paid in a timely manner and cash discounts were taken on a regular basis.
- Billings for utility services were completed in a timely manner.

### **2010 Goals**

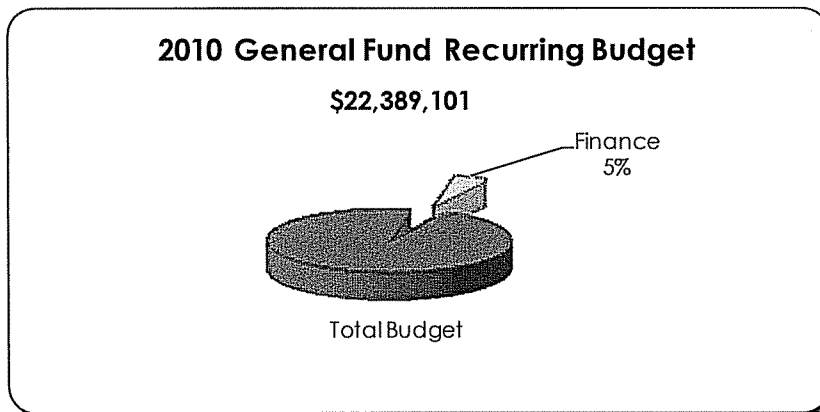
- Complete the 2010 Budget document by March 10, 2010 (within 3-months of the 12/10/2009 adoption).
- Complete the 2009 Annual Financial Report by May 30, 2010, and receive a "clean audit opinion" from the Washington State Auditor's Office.
- Complete payroll cycles in an accurate and timely manner.
- Pay City bills in a timely manner and continue to take advantage of all available cash discounts.
- Prepare billings for utility services in a timely manner.
- Provide financial information to the Mayor, Council and Staff as needed.
- Prepare periodic financial reports for use by the Mayor, Council and Staff.
- Continue to follow and /or improve the guidance of the policies we have developed in recent years for purchasing, utility billing and collection, and investments.
- Investigate the addition of budget billing to the City utility system.
- At the close-out of the Riverside Drive Project will work with our bond underwriter to issue LID Bonds for the LID portion of the project and with the proceeds repay the interim loan received from the Cashmere Valley Bank.
- Will work with the public works department where needed to finalize comprehensive plans for the storm drain and sewer utilities which will each lead to revenue bond issues and possibly utility rate increases.

**Expenditure Summary**

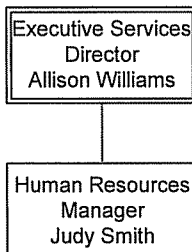
Expenditure by Object	2006 Actual	2007 Actual	2008 Actual	2009 Budget	2010 Budget	Variance 2010 vs. 2009 Budget	
						Amount	Percent
Salaries & Wages	\$543,907	\$560,244	\$583,298	\$613,804	\$691,579	\$77,775	12.67%
Payroll Taxes & Benefits	170,320	206,417	225,459	239,829	262,848	23,019	9.60%
Supplies	17,735	17,034	13,574	18,300	18,300	0	0.00%
Other Services & Charges	143,343	155,820	151,629	130,570	127,530	(3,040)	-2.33%
<b>Total Expenditures</b>	<b>\$875,305</b>	<b>\$939,515</b>	<b>\$973,960</b>	<b>\$1,002,503</b>	<b>\$1,100,257</b>	<b>\$97,754</b>	<b>9.75%</b>
Less nonrecurring expenditures:							
Information Technology Additions	0	5,227	0	0	0	0	#DIV/0!
<b>Total Recurring Expenditures</b>	<b>\$875,305</b>	<b>\$934,288</b>	<b>\$973,960</b>	<b>\$1,002,503</b>	<b>\$1,100,257</b>	<b>\$97,754</b>	<b>9.75%</b>

**Personnel Summary**

Position	2006 Actual	2007 Actual	2008 Actual	2009 Budget	2010 Budget
Finance Director	1	1	1	1	1
Accounting Supervisor	2	2	2	2	2
Staff Accountant	0	0	0	0	1
Accounting Technician	3.5	3.5	3	3	3
Accounting Technician - Utilities	0	1	1	1	1
Utility Billing Specialist	4	4	4	4	4
<b>Total Personnel</b>	<b>10.5</b>	<b>11.5</b>	<b>11</b>	<b>11</b>	<b>12</b>

**Percentage of General Fund Budget**

**Human Resources**  
**Total 2010 Appropriations \$133,956**  
**1 FTE**

**Department Description**

Under the direction of the Executive Services Director, the HR Manager provides human resources support to department directors. Our goal is to attract and retain qualified employees, and to create a work environment which promotes excellent service to our customers and excellent work opportunities for employees. The HR Manager assists department directors in working cooperatively with union leaders and membership to negotiate and interpret three union contracts. A good deal of our effort is spent in support of personnel policy development, administration of and compliance with labor contracts and administering employee benefits. Duties include:

- Maintain current job descriptions, oversee recruiting and hiring processes, provide guidance on staffing decisions, and coordinate performance evaluations.
- Oversee wage development via job reclassifications for job and salary review. Oversee compensation and benefit programs to attract and retain qualified employees. Work with vendors on insurance and other employee benefits.
- Coordinate the LEOFF I Disability Board and the Firemen's Pension Fund.
- Manage Labor & Industries Workers' Compensation program. Encourage safety awareness.
- Identify and oversee citywide training needs for staff development.
- Serve as the City's Americans with Disabilities Act (ADA) Compliance Coordinator.
- Work with labor unions on contract negotiation and administration.
- Assist City personnel in fostering fair workplace rules and maintaining good employee relations.
- Ensure compliance with personnel policies, state and federal laws.
- Advise managers on employment law and counsel with employees and supervisors on disciplinary and other matters.

Particularly noteworthy to 2010 Human Resources Department operation is that the HR Director position was eliminated during the budget development process. This was done as a cost cutting measure and in response to the economic downturn finally reaching the Wenatchee Valley. The new departmental structure retains an HR Manager who reports to the Executive Services Director from the Mayor's Office.

**2009 In Review**

**Staffing:** How much time and how many contacts does it take to recruit, interview, identify and select excellent candidates for hire? This is one of the things we do best and have a commitment to bring great new people on board; transfer or promote excellent current employees.

Due to budget constraints we experienced a hiring freeze mid-year 2009 which is being carried over into 2010. Each position that becomes available is carefully analyzed to determine if it will be refilled.

In August 2009, the City offered a one-time voluntary early retirement program (VERB) option for PERS 1 and LEOFF 1 employees to encourage retirements. This program generated four retirements of which three positions will not be filled.

In addition to the early retirements two department director positions were eliminated and 6.33 positions were not filled.

**Contract Negotiations:** Finalized the IAFF, International Association of Firefighters, Local #453, contract negotiations (started in 2008) with ratification of a new three year contract (2009 – 2011). The City will enter into contract negotiations with the Police Guild and the Washington State Council of County and City Employees, Local 846, AFSCME groups in 2010.

**Health & Welfare:** In anticipation of the onset of the H1N1 virus, HR and the Fire Chief led a team to develop a plan to deal with the spread of the infection and potential absences.

Employees were invited to participate in a confidential health screening to evaluate any health risks and receive information on how to make positive changes to enhance their health and well-being.

**Training Provided/Attended:**

- City-wide Diversity Training
- Leave Law Seminar
- AWC Personnel & Employment Law

**2010 Goals**

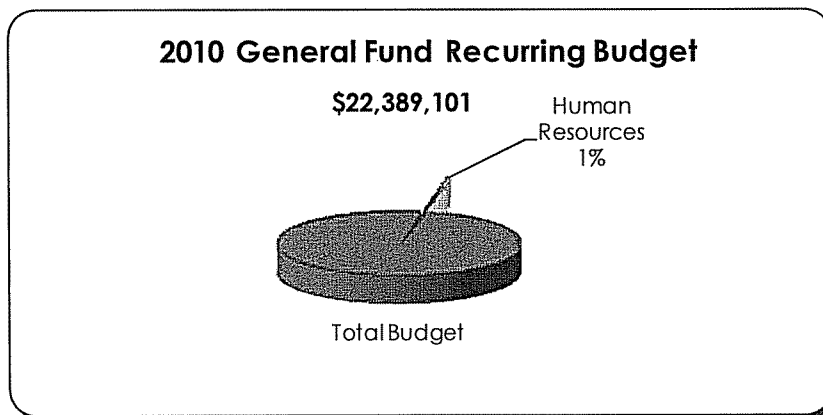
- Assure adequate support of HR functions through the Mayor's office
- Provide support for 2010 labor negotiations
- Ensure compliance with applicable state and federal employment regulations
- Assist in providing access to needed city training. Training for 2010 scheduled at this time consists of Liability Claims Management, Sexual Harassment, Police Liability and Safety.

**Expenditure Summary**

Expenditure by Object	2006 Actual	2007 Actual	2008 Actual	2009 Budget	2010 Budget	Variance 2010 vs. 2009 Budget	
						Amount	Percent
Salaries & Wages	\$ 130,618	\$ 138,466	\$ 142,204	\$ 168,531	\$ 66,432	\$ (102,099)	-60.58%
Payroll Taxes & Benefits	31,748	37,489	42,134	44,213	38,390	(5,823)	-13.17%
Supplies	5,093	2,990	1,726	1,500	1,500	0	0.00%
Other Services & Charges	62,122	44,968	19,050	16,920	27,634	10,714	63.32%
<b>Total Expenditures</b>	<b>\$ 229,581</b>	<b>\$ 223,913</b>	<b>\$ 205,114</b>	<b>\$ 231,164</b>	<b>\$ 133,956</b>	<b>(97,208)</b>	<b>-42.05%</b>

**Personnel Summary**

Position	2006 Actual	2007 Actual	2008 Actual	2009 Budget	2010 Budget
Human Resource Director	1	1	1	1	0
Human Resource Specialist	1	1	1	1	0
Human Resources Manager	0	0	0	0	1
<b>Total Personnel</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>1</b>

**Percentage of General Fund Budget**



<p style="text-align: center;"><b>Legal Services</b> <b>Total 2010 Appropriations \$340,200</b> <b>0 FTE</b></p>
--

**Department Description**

For legal counsel the City of Wenatchee utilizes the firm of Johnson, Gaukroger, Drewelow, Crossland & Woolett. The firm represents the City in civil legal matters and provides legal advice on a variety of subjects. Additionally, the firm prosecutes persons for violations of City ordinances and laws. Steve Smith, a principal partner in the firm has been designated "City Attorney" by the City Council.

Calendar year 2010 reflects the fourth year of a four-year contract that runs through 2010. Per the contract the City's 2007 payment was fixed at \$259,345 and the payment in 2008 increased by 5% to \$272,312. Payments for the years 2009 and 2010 are to be negotiated and agreed to between the firm and City no later than October 15, 2008. In the past such increases have been based upon the CPI, Pacific Cities and U.S. City Average, August to August, All Items Indexes, All Urban Consumers (CPI-U, West B/C).

Based upon negotiations that took place between the City and legal counsel in the fall of 2008, the calendar year 2009 annual payment increased by 2.5% over 2008 plus an additional \$90,000 for a ½ time prosecutor for a total of \$369,120 (an increase of \$96,808 or 35.6%). Of the 2009 payment of \$369,120, we anticipated the General Fund's share of the cost would be \$340,200. The balance of the payment (\$28,920) was to be allocated to other City funds based upon their respective use of attorney time.

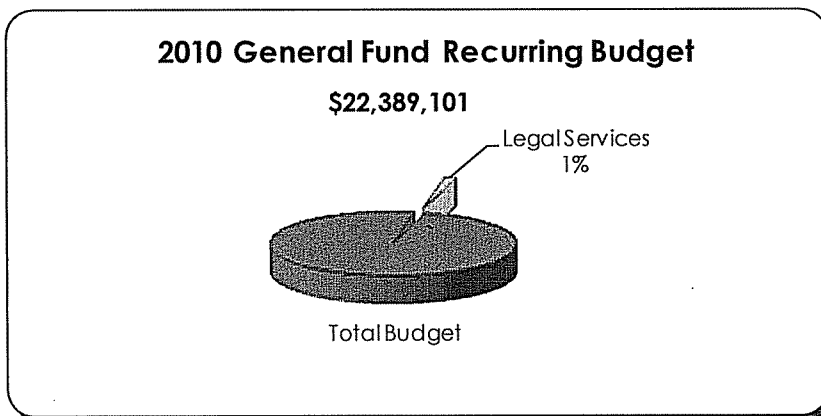
Because the CPI was actually running at a negative rate through much of 2009, the City and legal counsel agreed to a 2010 a 0% increase in the contracted cost of legal services, thus leaving the 2010 payment at a total of \$369,120. We again anticipate the General Fund's share of the cost will be \$340,200 and that the balance of the payment (\$28,920) will be allocated to other City funds based upon their respective use of attorney time.

Finally, the 2010 payment of \$369,120 is premised upon the existing level of service that has historically been provided. In the event of extenuating circumstances requiring additional legal services to be performed outside the present level of service, the City and Attorneys have agreed to negotiate in good faith to achieve a resolution of the additional services to be provided and the compensation to be paid.

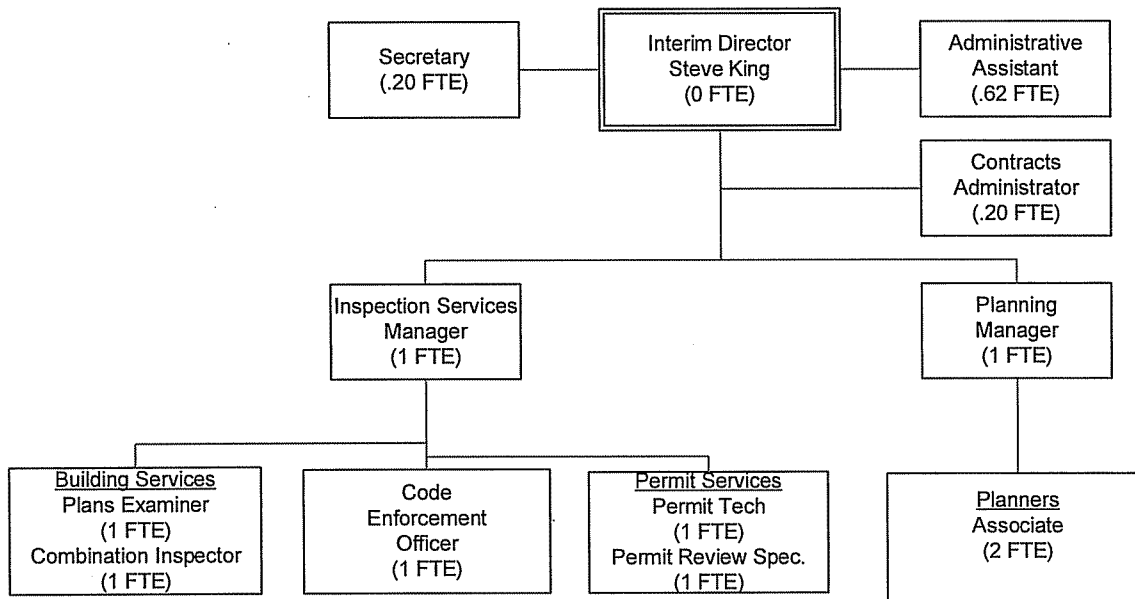
**Expenditure Summary**

Expenditure by Object	2006 Actual	2007 Actual	2008 Actual	2009 Budget	2010 Budget	Variance 2010 vs. 2009 Budget	
						Amount	Percent
Professional Services	\$0	\$0	\$0	\$340,200	\$340,200	\$0	0.00%
Professional Svc/Admin	50,721	33,056	30,353	0	0	0	N/A
Professional Svc/Fire	1,159	29	2,726	0	0	0	N/A
Professional Svc/Police	18,875	23,194	18,730	0	0	0	N/A
Professional Svc/Police Court	328,885	358,212	324,129	0	0	0	N/A
Professional Svc/Parks	1,317	1,450	2,871	0	0	0	N/A
Professional Svc/PFD	0	0	1,334	0	0	0	N/A
Professional Svc/Planning	34,744	37,281	31,486	0	0	0	N/A
Professional Svc/Civil Service	0	232	0	0	0	0	N/A
Professional Svc/Personnel	2,327	319	160	0	0	0	N/A
Professional Svc/Museum	641	348	218	0	0	0	N/A
Professional Svc/Engineering	6,620	1,769	1,362	0	0	0	N/A
Credit to Achieve Contract Pmt	-213,940	-216,762	-159,726	0	0	0	N/A
<b>Total Expenditures</b>	<b>\$231,349</b>	<b>\$239,128</b>	<b>\$253,641</b>	<b>\$340,200</b>	<b>\$340,200</b>	<b>\$0</b>	<b>0.00%</b>

The Legal Department expenditures are charged to the various departments as they are incurred, but are budgeted for as one line item.

**Percentage of General Fund Budget**

**Community Development-Code Enforcement Division**  
**Total 2010 Appropriations \$548,278**  
**6 FTE**



**Department Description**

This Division is responsible for enforcement of the International Building, Mechanical, Fuel Gas Codes and the Uniform Plumbing Code; the State Residential Energy code, and the State Non-residential Energy Code, as well as the National Electrical Code as adopted by the City of Wenatchee.

The Division's work consists of receiving plans and applications, providing a complete plan review, issuing permits, and field inspections. This include receiving comprehensive plan sets for all new commercial, residential, and public construction, as well as, additions and alterations to existing buildings. The division is responsible for overseeing the routing of all construction projects through the various departments with jurisdiction in order to provide a complete plan review package for applicants. The Division is also responsible for code enforcement programs which preserve and enhance the quality of our existing neighborhoods.

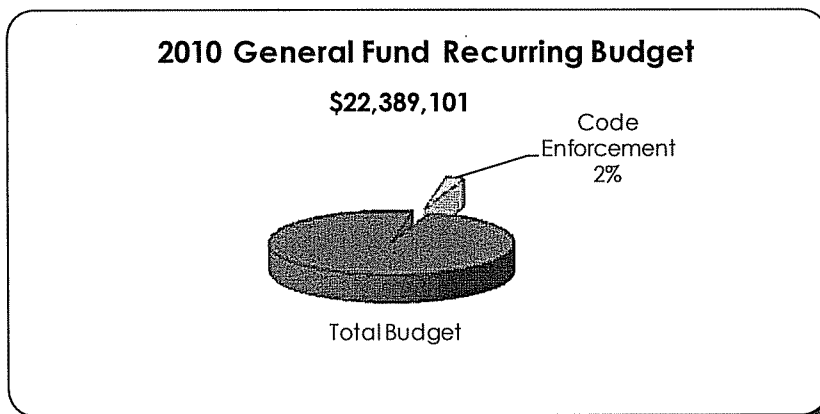
Particularly noteworthy to 2010 Community Development Department operation is that the Community Development Director position was eliminated during the budget development process. This was done as a cost cutting measure and in response to the economic downturn finally reaching the Wenatchee Valley. The new departmental structure in the Code Enforcement Division reflects that the Inspection Services Manager will report to the Public Works Director of Engineering.

**Expenditure Summary**

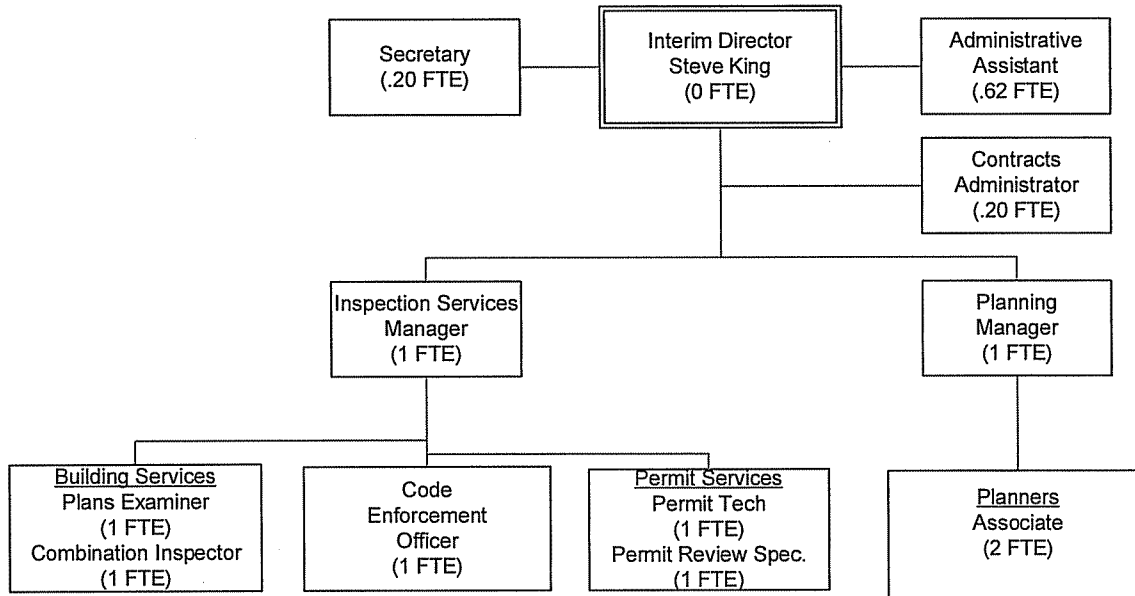
Expenditure by Object	2006 Actual	2007 Actual	2008 Actual	2009 Budget	2010 Budget	Variance 2010 vs. 2009 Budget	
						Amount	Percent
Salaries & Wages	\$ 198,796	\$ 208,654	\$ 216,981	\$ 345,220	\$ 354,161	\$ 8,941	2.59%
Payroll Taxes & Benefits	64,997	74,157	84,582	138,890	140,743	1,853	1.33%
Supplies	6,457	5,704	7,741	8,045	8,045	0	0.00%
Other Services & Charges	46,623	45,370	41,496	53,376	45,329	(8,047)	-15.08%
<b>Total Expenditures</b>	<b>\$ 316,873</b>	<b>\$ 333,885</b>	<b>\$ 350,801</b>	<b>\$ 545,531</b>	<b>\$ 548,278</b>	<b>\$ 2,747</b>	<b>0.50%</b>

**Personnel Summary**

Position	2006 Actual	2007 Actual	2008 Actual	2009 Budget	2010 Budget
Inspection Services Manager	0	0	0	1	1
Plans Examiner	1	1	1	1	1
Combination Inspector	1	1	1	1	1
Permit Specialist	1	1	1	1	1
Permit Review Specialist	1	1	1	1	1
Code Enforcement Officer	0	0	0	1	1
Electrical Inspector	1	0	0	0	0
<b>Total Personnel</b>	<b>5</b>	<b>4</b>	<b>4</b>	<b>6</b>	<b>6</b>

**Percentage of General Fund Budget**

**Community Development-Planning Division**  
**Total 2010 Appropriations \$404,365**  
**4.02 FTE**



**Department Description**

This Division is responsible for providing planning services to the City, including review of residential, commercial and industrial projects and community planning.

The planners within the Division are responsible for development reviews, comprehensive plan amendments, rezonings, subdivisions and special studies. The Development Review Engineer undertakes complex engineering analysis of projects and subdivisions. This team ensures that quality development takes place in a timely manner and lawful manner consistent with development regulations.

The Housing/Community Planner coordinates housing and neighborhood revitalization programs and administers related state and federal grant programs.

The Department Director is responsible for formulating long-range community plans that guide the community and improve the quality of life and economic health of the community.

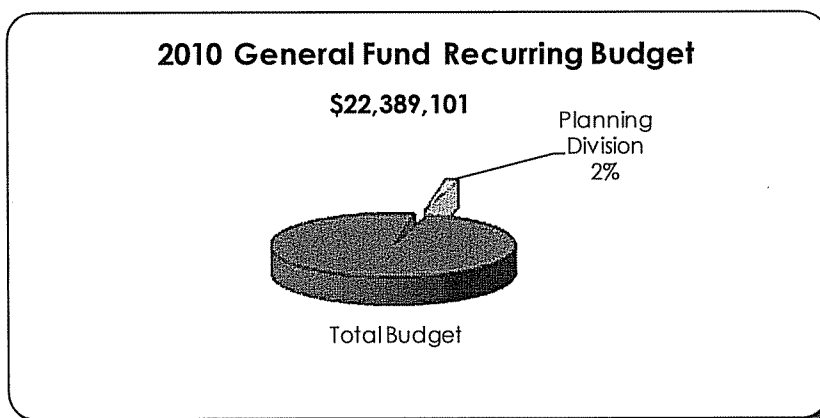
Particularly noteworthy to 2010 Community Development Department operation is that the Community Development Director position was eliminated during the budget development process. This was done as a cost cutting measure and in response to the economic downturn finally reaching the Wenatchee Valley. The new departmental structure in the Planning Division reflects the addition of a Planning Manager who reports to the Public Works Director of Engineering.

**Expenditure Summary**

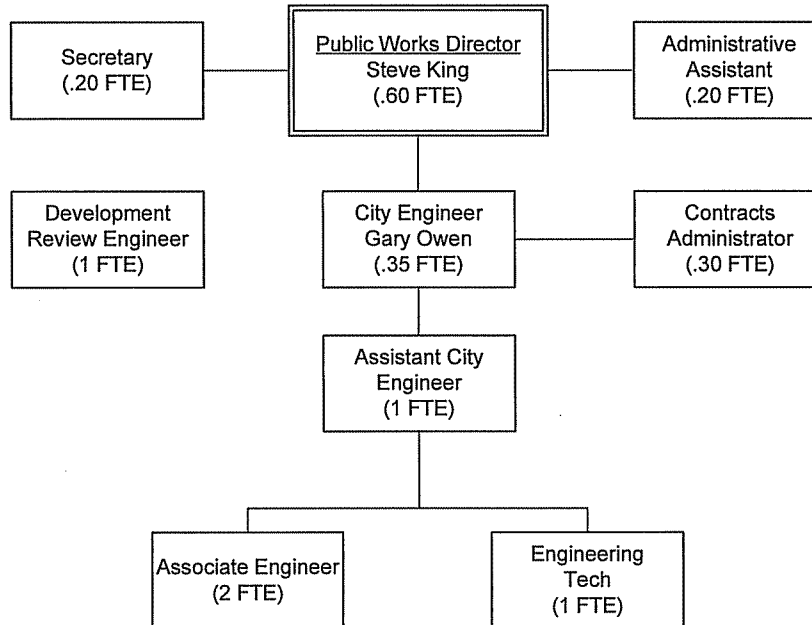
Expenditure by Object	2006 Actual	2007 Actual	2008 Actual	2009 Budget	2010 Budget	Variance 2010 vs. 2009 Budget	
						Amount	Percent
Salaries & Wages	\$ 284,815	\$ 357,553	\$ 450,607	\$ 403,934	\$ 233,020	\$ (170,914)	-42.31%
Payroll Taxes & Benefits	74,689	108,939	152,110	121,594	85,092	(36,502)	-30.02%
Supplies	9,985	6,190	5,819	10,582	10,582	0	0.00%
Other Services & Charges	79,237	119,833	106,210	82,031	75,671	(6,360)	-7.75%
Grant Funded Programs	0	0	0	0	0	0	
<b>Total Expenditures</b>	<b>\$ 448,726</b>	<b>\$ 592,515</b>	<b>\$ 714,745</b>	<b>\$ 618,141</b>	<b>\$ 404,365</b>	<b>\$ (213,776)</b>	<b>-34.58%</b>
<b>Less nonrecurring expenditures:</b>							
Information Technology Additions	0	12,587	0	0	0	0	#DIV/0!
<b>Total Recurring Expenditures</b>	<b>\$448,726</b>	<b>\$579,928</b>	<b>\$714,745</b>	<b>\$618,141</b>	<b>\$404,365</b>	<b>(\$213,776)</b>	<b>-34.58%</b>

**Personnel Summary**

Position	2006 Actual	2007 Actual	2008 Actual	2009 Budget	2010 Budget
Community Dev. Director	1	1	1	1	0
Planning Manager	0	0	0	0	1
Senior Planner	1	1	1	0	0
Code Enforcement Officer	1	1	1	0	0
Administrative Assistant	0.64	0.64	0.62	0.62	0.62
Development Review Engineer	0	1	1	1	0
Associate Planner	0	2	2	2	2
Housing/Community Planner	1	1	1	1	0
Permit Specialist	1	0	0	0	0
Contracts Administrator	0	0.2	0.2	0.2	0.2
Secretary	0	0.2	0.2	0.2	0.2
<b>Total Personnel</b>	<b>5.64</b>	<b>8.04</b>	<b>8.02</b>	<b>6.02</b>	<b>4.02</b>

**Percentage of General Fund Budget**

**Public Works Department-Engineering Division**  
**Total 2010 Appropriations \$672,484**  
**6.25 FTE**



**Department Description**

The Engineering group of the Public Works Department provides engineering services in terms of operation, maintenance, planning, and design and construction management for the City of Wenatchee infrastructure, including streets, traffic and lighting, parks, domestic water, sanitary sewer, and storm sewer systems. This division is also responsible for managing the construction of infrastructure associated with development.

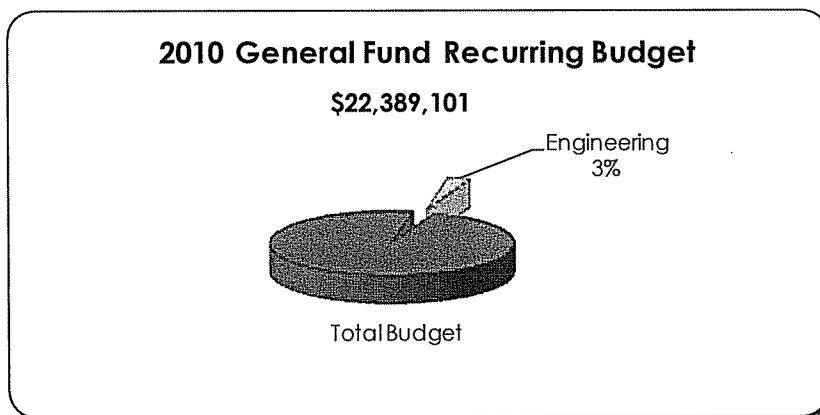
The Environmental group provides internal service to the City of Wenatchee covering a variety of regulatory areas. The majority of their support is directed to the utilities and associated programmatic activities such as cross connection control, NPDES stormwater compliance, and wastewater pretreatment. Additionally, employees of this group provide safety services for the City and as needed assistance with other issues.

**Expenditure Summary**

Expenditure by Object	2006 Actual	2007 Actual	2008 Actual	2009 Budget	2010 Budget	Variance 2010 vs. 2009 Budget	
						Amount	Percent
Salaries	\$ 326,782	\$ 321,695	\$ 304,602	\$ 364,294	\$ 453,043	\$ 88,749	24.36%
Payroll Taxes & Benefits	83,016	92,560	97,588	121,025	137,327	16,302	13.47%
Supplies	3,287	3,914	6,966	7,435	7,435	0	0.00%
Other Services & Charges	74,848	109,220	103,537	92,485	74,679	(17,806)	-19.25%
Intergovernmental	5,670	0	0	0	0	0	n/a
<b>Total Expenditures</b>	<b>\$ 493,603</b>	<b>\$ 527,389</b>	<b>\$ 512,693</b>	<b>\$ 585,239</b>	<b>\$ 672,484</b>	<b>\$ 87,245</b>	<b>14.91%</b>
<b>Less nonrecurring expenditures:</b>							
Information Technology Additions	0	9,451	0	0	0	0	#DIV/0!
<b>Total Recurring Expenditures</b>	<b>\$493,603</b>	<b>\$517,938</b>	<b>\$512,693</b>	<b>\$585,239</b>	<b>\$672,484</b>	<b>\$87,245</b>	<b>14.91%</b>

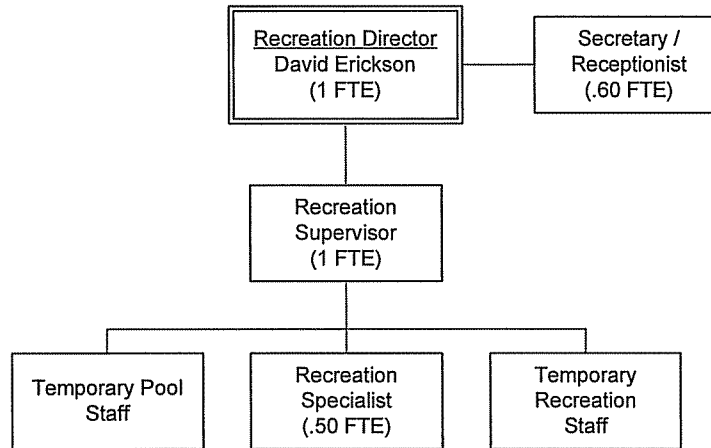
**Personnel Summary**

Position	2006 Actual	2007 Actual	2008 Actual	2009 Budget	2010 Budget
Director of Public Works	0	0.23	0.2	0.2	0.20
City Engineer	0.6	0.6	0.35	0.35	0.35
Asst. City Engineer	1	1	1	1	1
Associate Engineer	2	2	2	2	2
Engineering Technician	1	1	1	1	1
Administrative Assistant	0	0.2	0.2	0.2	0.2
Admin. Assist./Capital Projects	0.4	0	0	0	0
Secretary	0	0.2	0.2	0.2	0.2
Contract Administrator	0	0.3	0.3	0.3	0.3
Development Review Engineer	0	0	0	0	1
<b>Total Personnel</b>	<b>5</b>	<b>5.53</b>	<b>5.25</b>	<b>5.25</b>	<b>6.25</b>

**Percentage of General Fund Budget**



**Recreation/Swimming Pool**  
**Total 2010 Appropriations \$630,152**  
**3.1 FTE**



#### **Department Description**

The City of Wenatchee provides a Parks and Recreation Department to help realize important outcomes that are vital to make the community a healthy and vibrant place to live, shop, work and play. These outcomes include: Helping create a community image and sense of place, providing opportunities for economic development, increasing safety and security of residents and visitors, providing programs and facilities to enhance the health and wellness of the community, providing opportunities for human development and cultural unity, environmental resource protection, and providing opportunity for community problem solving and recreational experiences.

A primary goal of the Department to offer diverse, high quality programs for all ages, interests and abilities within available resources. In 2009, the Department continued to provide quality recreational opportunities by coordinating programs that emphasized fun, safety, community building, skill development and life enrichment.

An additional goal of the Department is to provide a high quality park system that offers a wide variety of recreational opportunities. To this end, the Department manages the operation of the City Swimming Pool and Community Center. It strives to meet park and natural area needs as defined in the City Comprehensive Plan by maximizing outside resources and through planning activities, development of partnerships and grant applications. The city parks and recreation system is maintained and operated by the Parks Division of the Public Works Department.

#### **2009 Accomplishments**

- Coordinated successful special events for residents and visitors to the community. These included: The Independence Day Celebration, Subway Halloween Carnival, Washington State Special Olympics Winter Games, Tardeadas, Café Mela Summer Concert Series, Subway Movies in the Park and Winter Flake Festival.
- Completed the development of a Community Forestry Plan through the receipt of a Department of Natural Resources Grant.
- Coordinated diverse recreational program offerings including: Swimming and Tennis Lessons, Indoor Playground, Night Court, After School Action Employee Health promotion activities, Special Needs Social Program, Special Olympic sports, Family Hike Series, Youth Basketball League, Day Camps, Fall Into Fitness, Volleyball Camp, Skyhawks Sports Camps, Women's Volleyball League, Hershey Track and Field and the Parks Wading Pool Program.

- Successfully completed grant applications for programs and projects ranging from employee health promotion and special needs programs to play area upgrades and accessibility projects in Pennsylvania and Methow Parks.
- Worked collaboratively with a variety of organizations and businesses such as Wenatchee Valley College, Wenatchee Valley Sports Council, Trust for Public Lands, Wenatchee School District, Kiwanis Club, Rotaract, Chelan-Douglas Land Trust to facilitate the provision of parks and recreational services to residents and visitors to the community.
- Received the Association of Washington Cities Well City Award and American Heart Association Fit Friendly Company Gold Award for employee health promotion.

**2010 Goals**

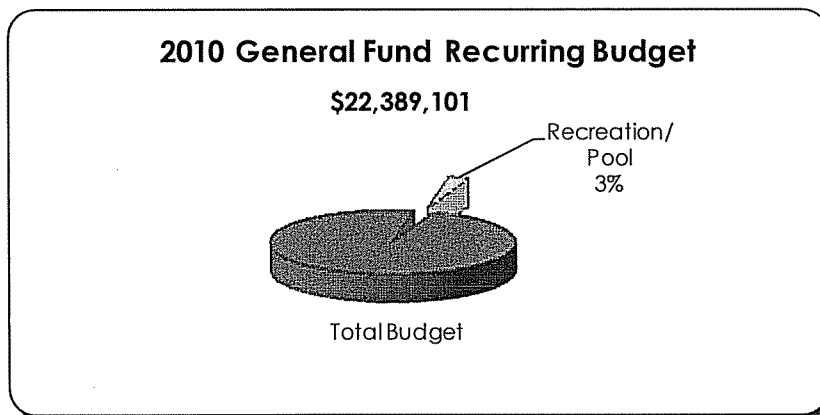
- Provide a high quality park system that offers a wide variety of recreational opportunities within the available budget.
- Provide a comprehensive offering of outdoor and indoor recreation programs to meet the leisure needs of all age groups and interests within available resources.
- Continue to seek out and acquire alternative sources of funding to support Departmental services.

**Expenditure Summary**

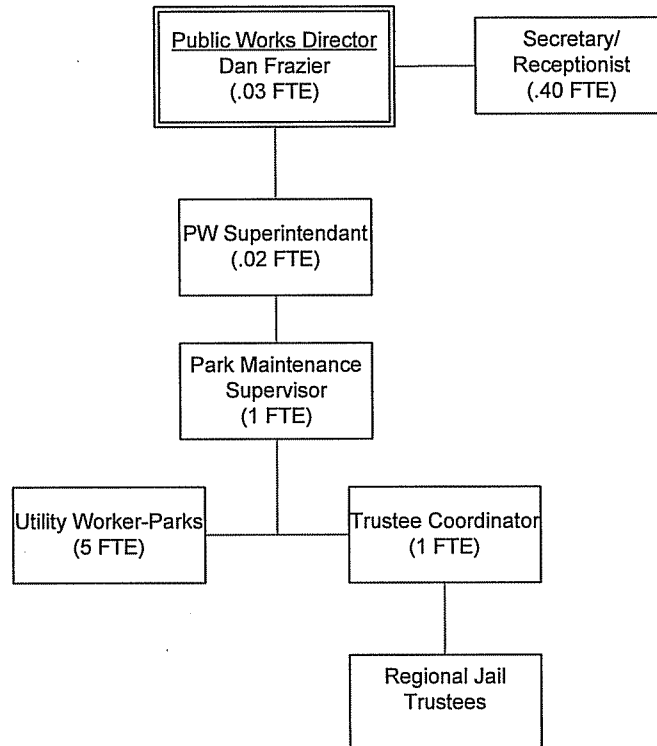
Expenditure by Object	2006 Actual	2007 Actual	2008 Actual	2009 Budget	2010 Budget	Variance 2010 vs. 2009 Budget	
						Amount	Percent
Salaries	\$ 235,317	\$ 285,287	\$ 368,306	\$ 353,607	\$ 333,133	\$ (20,474)	-5.79%
Payroll taxes & Benefits	60,029	74,677	106,606	80,717	78,804	(1,913)	-2.37%
Supplies	54,301	78,905	70,038	114,254	79,630	(34,624)	-30.30%
Other Services & Charges	151,954	129,535	160,079	130,699	122,785	(7,914)	-6.06%
Intergovernmental	0	8,000	8,025	16,500	16,500	0	N/A
<b>Total Expenditures</b>	<b>\$ 501,601</b>	<b>\$ 576,404</b>	<b>\$ 713,054</b>	<b>\$ 695,777</b>	<b>\$ 630,852</b>	<b>\$ (64,925)</b>	<b>-9.33%</b>
<b>Less nonrecurring expenditures:</b>							
Information Technology Additions	0	376	0	0	0	0	#DIV/0!
Department 023 Professional Svcs	0	0	26,593	0	0	0	#DIV/0!
<b>Total Recurring Expenditures</b>	<b>\$501,601</b>	<b>\$576,028</b>	<b>\$ 686,462</b>	<b>\$695,777</b>	<b>\$630,852</b>	<b>(\$64,925)</b>	<b>-9.33%</b>

**Personnel Summary**

Position	2006 Actual	2007 Actual	2008 Actual	2009 Budget	2010 Budget
Parks & Recreation Director	0	0	1	1	1
Recreation Supervisor	1	1	1	1	1
Recreation Specialist	1	1	1	1	0.5
Facility Supervisor	0.35	0.675	0	0	0
Secretary/Receptionist	0.5	0.55	0.6	0.6	0.6
<b>Total Personnel</b>	<b>2.85</b>	<b>3.225</b>	<b>3.6</b>	<b>3.6</b>	<b>3.1</b>

**Percentage Utilized of Total Budget**

**Public Works Department – Parks Maintenance**  
**Total 2010 Appropriations \$840,172**  
**7.45 FTE**



**Department Description**

This division of the Public Works Department has the responsibility for the operation and maintenance of the City's park system. This includes 13 City parks and the landscaping at various locations throughout the City. The Parks Maintenance Division plants and maintains over 100 floral baskets in the downtown core and prunes, maintains and decorates over 300 trees along downtown arterials. The parks crew also maintains the landscaping around city buildings and the Convention Center. The Parks Maintenance Division also provides assistance to the Cemetery Maintenance crew when necessary.

In the winter the Parks Maintenance Division is responsible for snow and ice control for the walkways within the parks as well as all of the sidewalks that adjoin City property. The parks crew also clears the snow and ice at all of the City's buildings including City Hall, the new and old Police Stations, Public Works, the Museum, the Community Center and the Convention Center.

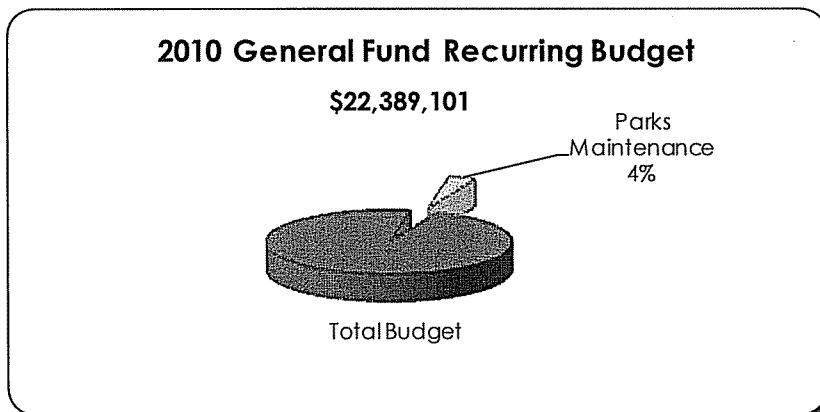
One of the emerging areas of importance for the Parks Maintenance Division is assessing and mitigating the risk exposure in the City's parks. Whether the risk is aging play equipment, changing requirements for ground covering or overhead tree hazards, the Parks Maintenance Division is assessing the risk and attempting to lessen the City's exposure.

**Expenditure Summary**

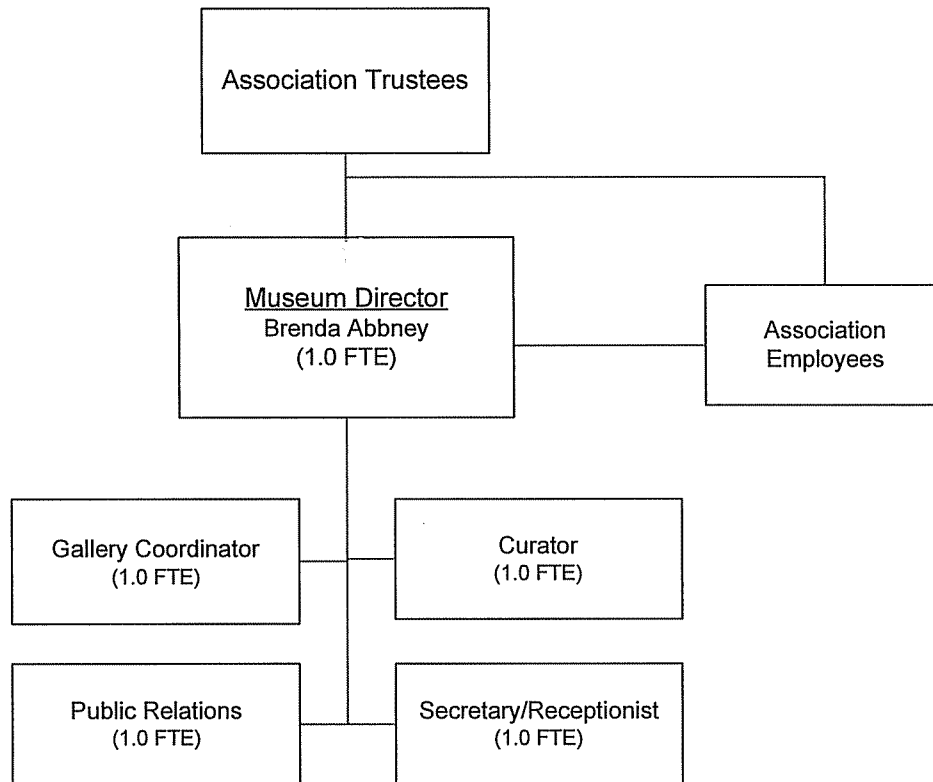
Expenditure by Object	2006 Actual	2007 Actual	2008 Actual	2009 Budget	2010 Budget	Variance 2010 vs. 2009 Budget	
						Amount	Percent
Salaries	\$ 373,597	\$ 396,534	\$ 413,503	\$ 429,302	\$ 435,739	\$ 6,437	1.50%
Payroll taxes & Benefits	119,883	131,176	150,105	145,333	148,152	2,819	1.94%
Supplies	63,922	65,386	55,331	58,370	64,370	6,000	10.28%
Other Services & Charges	187,579	198,423	212,389	178,063	191,911	13,848	7.78%
Intergovernmental	0	0	0	0	0	0	N/A
<b>Total Expenditures</b>	<b>\$ 744,981</b>	<b>\$ 791,519</b>	<b>\$ 831,328</b>	<b>\$ 811,068</b>	<b>\$ 840,172</b>	<b>\$ 29,104</b>	<b>3.59%</b>

**Personnel Summary**

Position	2006 Actual	2007 Actual	2008 Actual	2009 Budget	2010 Budget
Public Works Director	0.15	0.025	0.05	0.03	0.03
Public Works Superintendent	0	0	0	0.02	0.02
Maintenance Manager	0	0.15	0	0	0
Landscape Supervisor	1	1	1	1	1
Trustee Coordinator	1	1	1	1	1
Utility Worker/Parks	5	5	5	5	5
Secretary/Receptionist	0.4	0.4	0.4	0.4	0.4
<b>Total Personnel</b>	<b>7.55</b>	<b>7.575</b>	<b>7.45</b>	<b>7.45</b>	<b>7.45</b>

**Percentage Utilized of Total Budget**

**Wenatchee Valley Museum and Cultural Center**  
**Total 2010 Appropriations \$506,617**  
**5.0 FTE**



**Department Description**

The Wenatchee Valley Museum and Cultural Center provides a wide variety of educational services to Wenatchee and the regional community. The museum's stated mission is to gather and educate people to celebrate and preserve the history, arts, sciences and rich diversity of this region and its people. This mission is fulfilled through a broad spectrum of activities including educational exhibits, lectures and programs that provide enjoyment and education to thousands of people ranging in age from senior to youth and reflecting a diversity of cultures. Museum programs have received statewide recognition for excellence by the Washington State Preservation Office and the Washington Museum Association. Our core function is to interpret, preserve and care for historical artifacts and archives relating to North Central Washington, with an emphasis on the Wenatchee Valley.

WVMCC is a public-private partnership; the City of Wenatchee provides facilities and basic operating staff under a partnership agreement with the Wenatchee Valley Museum and Cultural Center Association, a 501-c-3 non-profit organization. The Association raises funds for additional staff to coordinate educational programs, manage volunteers, provide maintenance and event support. Volunteers provides thousands of hours of donated service each year – in 2008, the equivalent of more than 11 full-time staff members. Funding from the association provides for educational programs, exhibits and preservation of the collections. The community generously supports these activities through donations of time, funds, goods and services. By leveraging the budget provided by the city, the association is able to offer quality public programs that serve the community.

The Museum is located in two historic buildings that house three floors of programming space, collections storage and interpretive exhibits on local history, ethnography, natural history and art, at 127-125 South Mission in downtown Wenatchee. A successful capital campaign by the museum association garnered more than \$1.3 million in capital improvements to the facilities. These include installing a catering kitchen, handicap accessible restroom facilities, improvements to collection storage and essential repairs to the structure and support systems in the building. Permanent exhibits focus on Native American and pioneering heritage of the region including the historic apple industry, and Great Northern Railroad. The museum also has regular program of changing exhibits, a functional 1919 theater pipe organ, a variety of multimedia programs, large auditorium, catering kitchen, public meeting rooms, and gift shop.

Services provided by the Museum include historic preservation coordination, cultural tourism, community educational programs and mission-related events. Topics include regional history, art, culture, multicultural programs, and related educational activities. The museum acts as a support organization for such diverse affiliated groups as Fiestas Mexicanas, Dancing with Birds, Photography Association of Wenatchee and Two Rivers Gallery to name a few. The museum is proud to have nurtured groups through the affiliate program which have become successful independent organizations, such as Art on The Avenues and the Upper Valley Museum at Leavenworth.

The museum's impact extends throughout the community with our cooperative partnerships and outreach programs. The museum provides historical interpretive signage in downtown and the riverfront parks system. Historical displays have been placed in City Hall, Chelan County Courthouse, and Chelan and Douglas Port Districts. Museum staff has spearheaded the development of community assets like the Memorial Park Cannon Plaza, Centennial Park, Centennial Park Clock, Wenatchee Riverfront Railroad and a variety of public art pieces. The museum achieved national recognition by coordinating the creation of a Guinness World Record Largest Apple Pie (34,000 lbs) – a record which still stands today.

The programs of the Wenatchee Valley Museum and Cultural Center focus on education. All of our activities are aimed at promoting a spirit of interest and an enthusiasm for life-long learning among the general public. Our relationship with the Wenatchee School District is uniquely focused upon youth—our regional community's future.

The museum currently provides "Museum-to-You" boxes on fifteen different topics. These portable educational programs are prepared with the participation of teachers, and are presented in school classrooms throughout the North Central Washington region. Teachers have the option to have the program presented by museum staff and volunteers or they can be checked out for extended use. These capsule programs are very popular with area teachers, and influence thousands of children each year. Schools also take advantage of our museum through field trips and educational tours of the museum exhibits. The museum has a team of trained docents who guide the visiting school tour groups. Each of these docents attends eight weeks of training prior to leading a group and adds tremendous educational value to the tour. The museum also has a highly successful youth summer enrichment series, "Super Summer Adventures."

The Wenatchee Valley Museum and Cultural Center represents the City of Wenatchee's leadership role in education and recreation through the presentation of cultural and heritage programs. The museum is one of the city's prime assets for community development, economic development and cultural tourism. The Museum's active programs specifically address the city's desire for lifelong learning, providing cultural and recreational opportunities, and promoting a livable community.

**Wenatchee Valley Museum and Cultural Center:**  
**Ongoing Museum Functions**

- Provide public access, interpretation and care of the historic buildings, museum exhibits and collections in trust at the museum for the benefit of the community.

- Provide heritage, arts, cultural, and natural history programming as education and entertainment for a diverse range of visitors and residents served by the museum.
- Act as an anchor for cultural tourism within the community through our own efforts and in partnership with other community organizations.
- Serve as a resource in Historic Preservation for the city's Certified Local Government status and encourage historic re-use of Wenatchee's built environment.
- Assist and advise the City government on issues related to heritage, culture and the arts.

**Museum Accomplishments**

- Increased the impact of museum programs through a travelling exhibit program, *River of Memory*. Visitation to the off-site exhibit impacted close to 90,000 people in 2008 raising our overall attendance by 208%.
- Served local youth by providing recreation and educational experiences through partnership with the Wenatchee School District. An average of 5% growth has been seen in our popular summer program.
- Achieved designated National Historic District status for Wenatchee downtown through the efforts of our Historic Preservation office, registering 113 properties within the district boundaries.
- Completed Phase I capital improvements to facilities with private, corporate and foundation donation and Washington State grant funding totaling 1.3 million dollars.
- Advise and assist city on art, heritage and cultural issues through the Historic Preservation Board, Arts Commission and Museum staff.
- Increased assistance to community groups by partnering with 17 organizations and non-profit projects that support the museum mission.

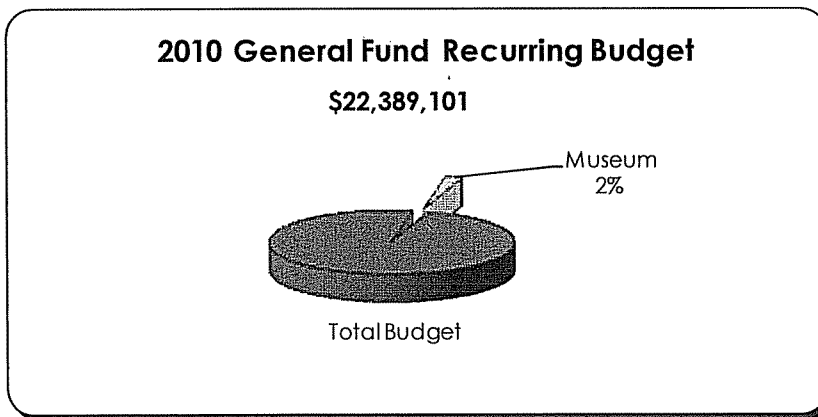


**Expenditure Summary**

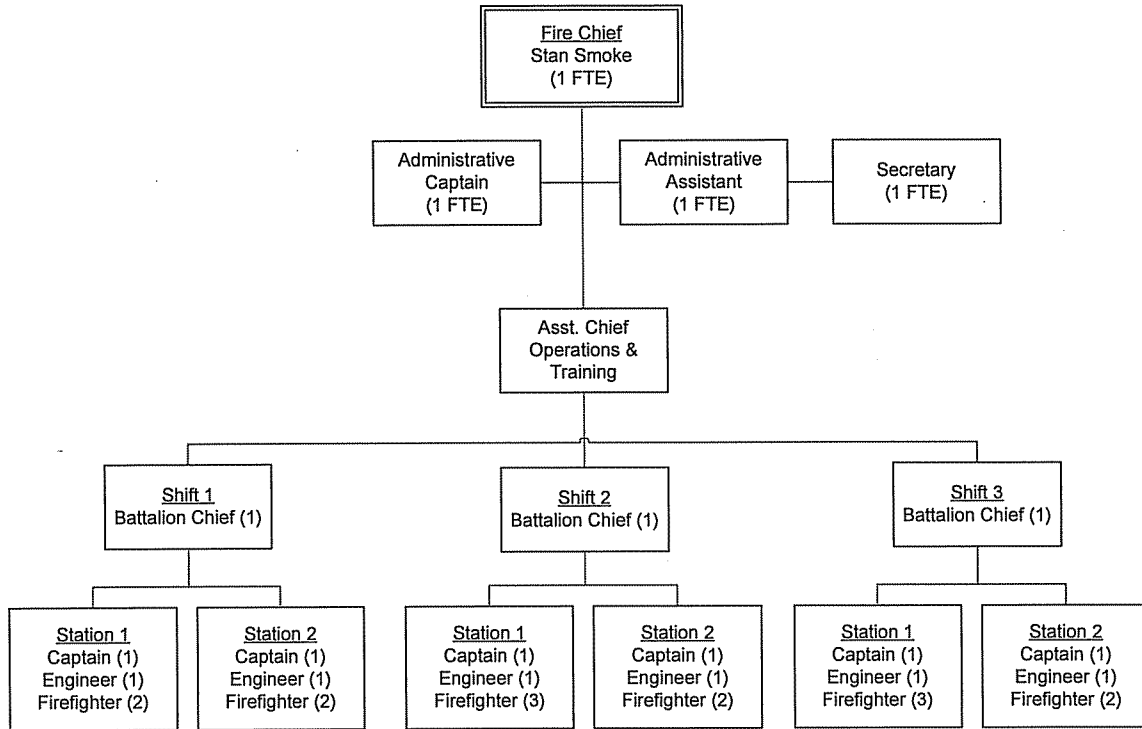
Expenditure by Object	2006 Actual	2007 Actual	2008 Actual	2009 Budget	2010 Budget	Variance 2010 vs. 2009 Budget	
						Amount	Percent
Salaries	\$ 268,057	\$ 296,929	\$ 320,719	\$ 372,526	\$ 291,455	\$ (81,071)	-21.76%
Payroll Taxes & Benefits	69,292	94,280	116,539	125,050	105,521	(19,529)	-15.62%
Supplies	10,864	10,385	1,369	12,000	12,500	500	4.17%
Other Services & Charges	90,571	105,074	122,781	102,447	97,141	(5,306)	-5.18%
Intergovernmental	0	0	0	0	0	0	N/A
<b>Total Expenditures</b>	<b>\$ 438,784</b>	<b>\$ 506,668</b>	<b>\$ 561,408</b>	<b>\$ 612,023</b>	<b>\$ 506,617</b>	<b>\$ (105,406)</b>	<b>-17.22%</b>

**Personnel Summary**

Position	2006 Actual	2007 Actual	2008 Actual	2009 Budget	2010 Budget
Museum Director	0.8	1	1	1	1
Museum Curator	1	1	1	1	1
Project Coordinator	1	1	1	1	0
Public Relations Coordinator	1	1	1	1	1
Gallery Coordinator	1	1	1	1	1
Secretary	1	1	1	1	1
<b>Total Personnel</b>	<b>5.8</b>	<b>6</b>	<b>6</b>	<b>6</b>	<b>5</b>

**Percentage Utilized of Total Budget**

**Fire Department**  
**Total 2010 Appropriations \$3,967,689**  
**34 FTE**



### **Mission Statement**

"To provide the highest level of service and protection of life and property to the people who live, work, visit and invest in the City of Wenatchee and the surrounding community."

### **Administration**

The Fire & Rescue Administration consists of the Chief, one Assistant Chiefs, one Administrative Assistant, one Administrative Captain, and one Department Secretary.

The Assistant Chief is responsible for the Division of Safety, Operations and Training and the Division of Prevention and Emergency Management respectively.

The Administrative Assistant is assigned to the Office of the Chief and is responsible for all related administrative functions. The Administrative Captain provides division support to the Assistant Chiefs and program development as assigned by the Chief. The Department Secretary is assigned to the Prevention Division.

This Division provides direction, administration and management of the Department. The Department's work plan reflects both short and long term goals and objectives to maximize the use of available resources and provide quality fire, emergency medical services, and other fire protection services to the community.

### **Safety, Operations, and Training Division**

The Assistant Chief oversees three shifts of ten operational personnel. Each shift is comprised of a Battalion Chief, two Captains, two Engineers and five Firefighters that operate out of two stations and provide emergency response with three-person engine companies at all times.

This Division is responsible for coordinating the department's emergency and non-emergency operations. Levels of service and protection of life and property in the City is provided through the management and maintenance of the Department's resources that include personnel, facilities, apparatus, and equipment. Emergency response includes fire and emergency medical services as well as hazardous materials and technical rescue.

Operational personnel are responsible for ensuring fire code compliance in all commercial occupancies through the Department's fire and life safety inspection program.

This Division is also responsible for ensuring all firefighters are meeting the required Department, State and Federal training standards both for individuals and at the company level.

#### **Prevention and Emergency Management Division**

The Assistant Chief is responsible for the Fire Marshal duties of the City. This Division enforces the International Fire Code and applicable laws and standards through fire and life safety inspections; plan review of sites, buildings and fire protections systems; and investigation of fires.

Public information and education programs including fire safety, injury prevention, and disaster preparedness are delivered in both English and Spanish. These programs are implemented through presentations at public and private schools; fire station tours; supporting the fire and life-safety needs of local business and industry; and at fire safety and injury prevention special events.

The City of Wenatchee's Fire and Rescue Department is responsible for the coordination of emergency or disaster activities related to mitigation, preparedness, response and recovery in the City of Wenatchee. The Fire Chief is designated as the City's Director of Emergency Management.

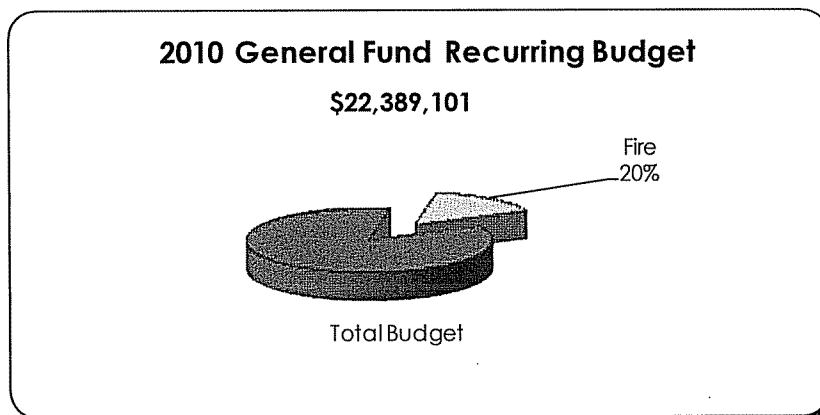
Organization of emergency or disaster response activities follows the National Incident Management System (NIMS) developed by the Department of Homeland Security (DHS). The Incident Command System (ICS) used by the City of Wenatchee was established through NIMS as the standardized organizational structure for the management of all incidents.

**Expenditure Summary**

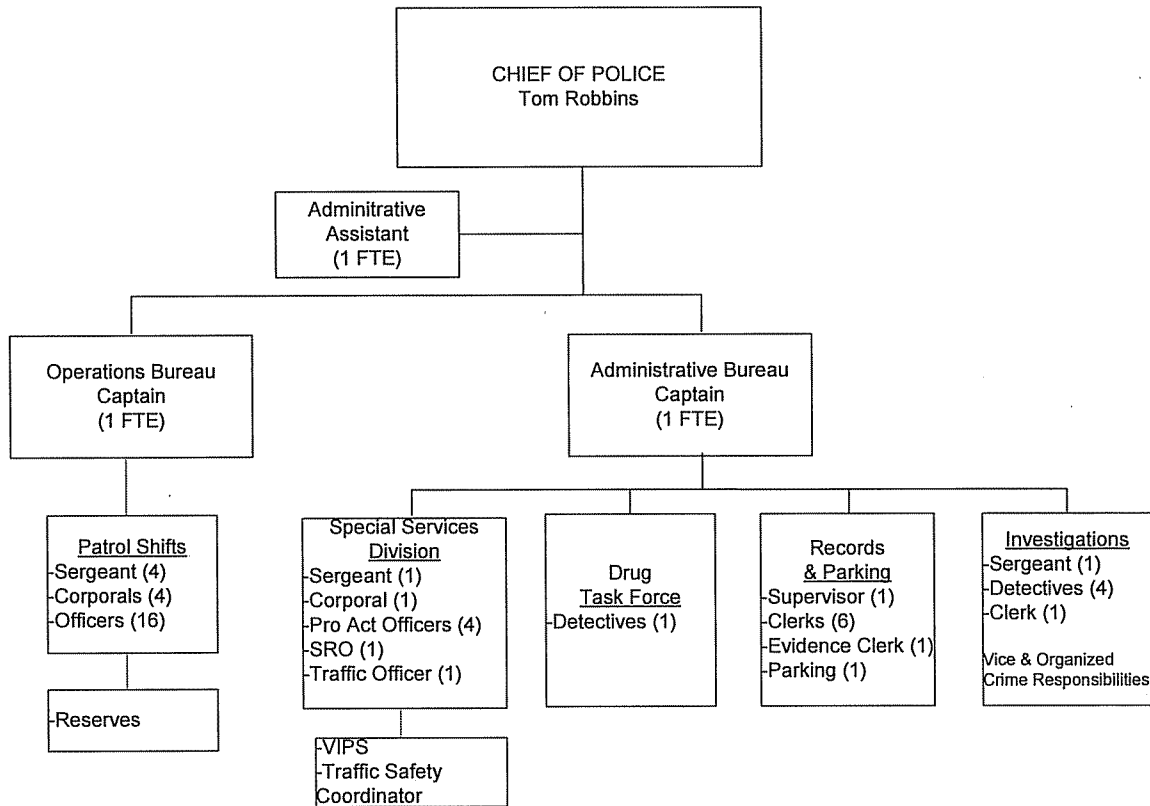
Expenditure by Object	2006 Actual	2007 Actual	2008 Actual	2009 Budget	2010 Budget	Variance 2010 vs. 2009 Budget	
						Amount	Percent
Salaries	\$2,225,449	\$2,502,202	\$2,529,292	\$2,661,813	\$2,575,359	(\$86,454)	-3.25%
Payroll Taxes & Benefits	668,658	662,074	710,324	736,763	768,314	31,551	4.28%
Supplies	95,812	77,460	84,837	100,819	92,969	(7,850)	-7.79%
Other Services & Charges	371,102	406,990	431,618	268,463	278,047	9,584	3.57%
LEOFF 1 Retiree Medical	310,677	310,562	308,527	257,507	253,000	(4,507)	-1.75%
Grant Funded Programs	0	0	0	0	0	0	n/a
<b>Total Expenditures</b>	<b>\$3,671,698</b>	<b>\$3,959,288</b>	<b>\$4,064,598</b>	<b>\$4,025,365</b>	<b>\$3,967,689</b>	<b>(\$57,676)</b>	<b>-1.43%</b>
<b>Less nonrecurring expenditures:</b>							
Information Technology Additions	0	3,009	0	0	0	0	#DIV/0!
Department 023 Purchases	0	0	38,844	11,250	0	(11,250)	-100.00%
<b>Total Recurring Expenditures</b>	<b>\$3,671,698</b>	<b>\$3,956,279</b>	<b>\$4,025,754</b>	<b>\$4,014,115</b>	<b>\$3,967,689</b>	<b>(\$46,426)</b>	<b>-1.16%</b>

**Personnel Summary**

Position	2006 Actual	2007 Actual	2008 Actual	2009 Budget	2010 Budget
Fire Chief	1	1	1	1	1
Administrative Aide to the Chief	1	1	1	1	1
Asst Chief (Operations & Training)	1	1	1	1	0
Asst Chief (Prev. & Emerg. Mgmt)	1	1	1	1	1
Battalion Chief	3	3	3	3	3
Suppression Captains	6	6	7	7	7
Suppression Engineers	6	6	6	6	6
Suppression Fire Fighters	16	16	15	15	14
Fire Prevention Secretary	1	1	1	1	1
<b>Total Personnel</b>	<b>36</b>	<b>36</b>	<b>36</b>	<b>36</b>	<b>34</b>

**Percentage of General Fund Budget**

**Police Department**  
**Total 2010 Appropriations \$6,509,877**  
**52 FTE**

**Mission**

*We promote a safe community and quality of life through protection and service.*

**ADMINISTRATION**

The Police Department Administration consists of the Chief, two Captains and one Administrative Sergeant.

The Captains are responsible for the Patrol Bureau and the Administrative Bureau respectively including Asset Management, Evidence System, Public Information, Training, Recruit/Volunteer Background Investigations, Assistant Accreditation Manager, Newsletter and other administrative functions as necessary..

The Administrative Assistant is assigned to the Office of the Chief, and is responsible for all related administrative functions.

**PATROL DIVISION**

The four sergeants, four corporals and sixteen officers who make up this division, are responsible for high profile street level law enforcement and public safety service in our community.

They seek community partnerships and practice a problem solving approach in addressing safety and law enforcement related issues. These personnel enforce all state and local statutes and ordinances.

Each patrol shift has one Gang Interdiction Officer that coordinates activities with the Pro-Act Unit.

#### **SPECIAL SERVICES DIVISION (SSD)**

This division includes 1 Sergeant, 1 Corporal, 4 Pro-Act Officers, 2 SRO's and 1 Traffic Officer and 1 Traffic Safety Task Force Coordinator.

The Corporal assists the supervisor, takes the lead in handling Community Relations and VIPS (Volunteers in Police Service) supervision.

The four Pro-Act Officers perform comprehensive Gang Interdiction and Investigations as well as a wide range of pro-active enforcement and department/community support projects.

The School Resource Officers provide the enforcement presence at Wenatchee School District campuses during the school year. They also provide support and counsel to the students as appropriate.

The Traffic Officer is responsible for Traffic Safety Education and Enforcement throughout the City. (A second traffic officer position remains open due to an open FTE position)

All personnel in SSD coordinate together as a team and support each other's functions as needs dictate.

The Police Department functions as the lead agency hosting the Chelan/Douglas County Traffic Safety Task Force. This division houses the Task Force Coordinator (on contract with the Washington Traffic Safety Commission), who manages the dual-county traffic safety enforcement and education programs.

The VIPS (Volunteers in Police Service), and related activities are managed by the supervisors in this division.

This division manages the Police Department's role as the lead agency in facilitating the local Wenatchee Valley CRIMESTOPPERS Chapter activities, in collaboration with the civilian CRIMESTOPPERS Board of Directors and allied agencies.

Members of the SSD take the lead role in facilitation of the Community Based Partnerships and Problem Solving Processes as necessary to support community safety.

#### **COLUMBIA RIVER DRUG TASK FORCE**

The Task Force is a partnership with the Wenatchee Police Department and the Chelan County Sheriff's Office. It is primarily funded by the two jurisdictions and receives several drug investigation and interdiction grants. This Task Force has one member from the Police Department, three including a Sergeant from the Chelan County Sheriff's Department and one Detective from the Washington State Patrol. The scope of their work includes all levels of drug investigations.

#### **INVESTIGATIONS DIVISION**

One Sergeant, four Detectives and one Clerk are assigned to the Investigations Division. This division is responsible for investigation of all major crimes, and criminal acts requiring follow-up beyond that which the uniformed officer provides. They also serve as a resource, working with businesses, community groups and neighborhoods in an effort to make our city more crime resistant.

**PARKING ENFORCEMENT**

This Civilian Enforcement Officer is responsible for enforcement of "timed parking", ordinances within the commercial district of Wenatchee. This is a self supporting position and reports to the Records Division.

**RECORDS DIVISION**

The Records Division is supervised by the Support and Technical Services Manager and consists of seven Records Clerks, including one that serves as a Lead Worker. These personnel process and maintain all documents generated by the Police Department. They are responsible for the integrity and legal dissemination of the information contained in the Police Records System.

One Clerk functions as the agency Evidence Officer.

**RESERVE PROGRAM**

The agency is fortunate to have a Police Reserve Program, made up of twelve individuals who volunteer their time to undergo the required training, and perform specific reserve related police functions and assist regular officers as necessary.

**VOLUNTEERS IN POLICE SERVICE (VIPS)**

The department has nineteen citizen volunteers who make up our Volunteers in Police Service. This is a nationally recognized program under Homeland Security, listed on a national web-site.

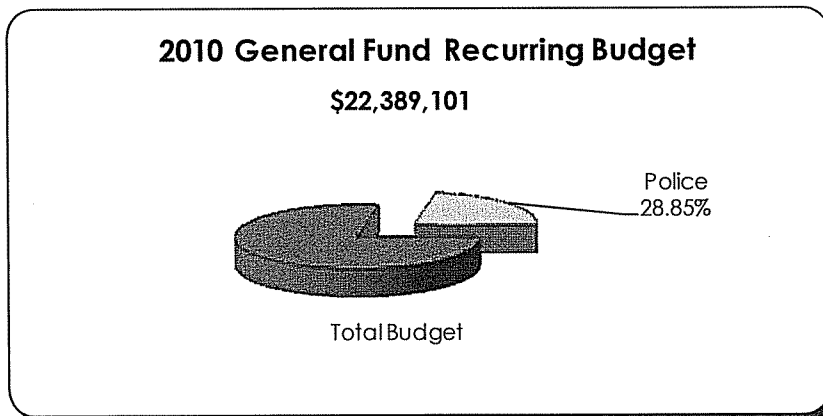
These volunteers provide public safety related service to the community on behalf of the Police Department, that limited resources would not otherwise allow. They perform functions such as; citizens patrol, residential security, crime prevention activities, fingerprinting for employment requirements and firearms permits, traffic control, movement of the speed monitoring trailer, graffiti watch and many others as necessary. They enforce parking restrictions on residential streets and in store parking lots.

**Expenditure Summary**

Expenditure by Object	2006 Actual	2007 Actual	2008 Actual	2009 Budget	2010 Budget	Variance 2010 vs. 2009 Budget	
						Amount	Percent
Salaries	\$3,362,053	\$3,453,164	\$3,898,885	\$3,978,624	\$3,844,410	(\$134,214)	-3.37%
Payroll Taxes & Benefits	1,096,766	1,083,665	1,268,282	1,362,295	1,340,380	(21,915)	-1.61%
Supplies	63,438	100,927	179,368	134,184	133,184	(1,000)	-0.75%
Other Services & Charges	870,694	871,046	910,437	859,900	914,903	55,003	6.40%
Intergovernmental	497	306	749	0	0	0	N/A
LEOFF 1 Retiree Medical & LTC	231,822	269,438	271,473	272,493	277,000	4,507	1.65%
<b>Total Expenditures</b>	<b>\$5,625,270</b>	<b>\$5,778,546</b>	<b>\$6,529,194</b>	<b>\$6,607,496</b>	<b>\$6,509,877</b>	<b>(\$97,619)</b>	<b>-1.48%</b>
Less nonrecurring expenditures:							
Information Technology Additions	0	20,709	0	0	0	0	#DIV/0!
Department 023 Supplies	0	0	73,901	1,000	0	0	0.00%
<b>Total Recurring Expenditures</b>	<b>\$5,625,270</b>	<b>\$5,757,837</b>	<b>\$6,455,292</b>	<b>\$6,606,496</b>	<b>\$6,509,877</b>	<b>(\$96,619)</b>	<b>-1.46%</b>

**Personnel Summary**

<b>Position</b>	<b>2006 Actual</b>	<b>2007 Actual</b>	<b>2008 Actual</b>	<b>2009 Budget</b>	<b>2010 Budget</b>
Police Chief	1	1	1	1	1
Captain	2	2	2	2	2
Sergeant	7	7	7	7	6
Corporal	5	5	5	5	5
Officer	25	27	27	28	27
Total police officers	40	42	42	43	41
Records Supervisor	1	1	1	1	1
Administrative Assistant1		1	1	1	1
Clerk	7	7	7	7	7
Evidence Technician	1	1	1	1	1
Parking Enforcement	1	1	1	1	1
Total support staff	11	11	11	11	11
<b>Total Personnel</b>	<b>51</b>	<b>53</b>	<b>53</b>	<b>54</b>	<b>52</b>

**Percentage of General Fund Budget**



**Public Defender/District Court  
Total 2010 Appropriations \$481,700  
0 FTE**

**Description**

This portion of the General Fund budget consists of three items, which include expenses related to public defense, district court services and jury/witness fees.

**Public Defender**

State Law requires the City of Wenatchee to provide legal representation in all criminal matters for which the Chelan County District Court, on behalf of the City, makes an appointment for an attorney on the basis of the person's indigence (inability to pay). In the latter part of 2006 the City entered into a four-year contract covering calendar years 2007-2010 for public defender services with the law offices of Woods & Brangwin, and Bell & Tibbits. The contract provided for total compensation in 2007 to the two firms of \$201,137.83, and \$221,251.61 in 2008 that was split equally between them. Payments for the years 2009 and 2010 are to be the same as the previous year, plus an increase equal to any cost of living increase given the City's non-union employees. In 2009 the payment to the firms increases by 4.5% for a total of \$231,208, or \$115,604 for each firm. The 2010 wage increase for non-union employees was 0% which means the 2010 fee will not increase and the payment will continue to be \$231,208.

In addition to the amount paid to the contracted public defenders the City is responsible for costs relating to interpreting, expert witness fees, copying and videotaping, blood tests and conflict of interest attorneys, and in 2009 we have budgeted another \$14,992 for these expenses.

**District Court**

Rather than operate a municipal court of its' own, the City of Wenatchee contracts with the Chelan County District Court for court services pertaining to non-felony violations. The 2009 Budget marked the fourth year of a four-year agreement between the City and County for these services and for at least the first half of 2010 the County has agreed to not increase the fees. Under the contract, the City will be billed for court services each month based upon the number of case filings multiplied by a predetermined case filing fee. Fees through the life of the contract are as follows:

	Traffic Infractions		Non-Traffic Infractions	
	Filing Fee	% Increase	Filing Fee	% Increase
2005	\$40.00	----	\$41.00	----
2006	\$41.50	3.75%	\$42.50	3.66%
2007	\$43.00	3.61%	\$44.00	3.53%
2008	\$44.50	3.49%	\$45.00	2.27%
2009	\$46.00	3.37%	\$47.00	4.44%
2010	\$46.00	0.00%	\$47.00	0.00%

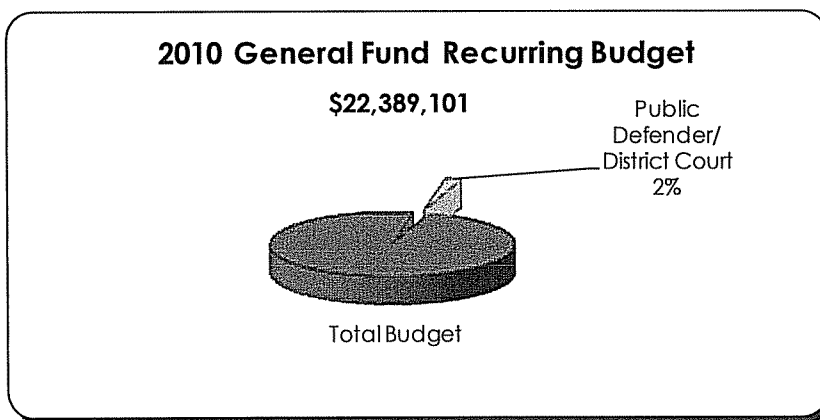
**Jury/Witness Fees**

Jury and witness fees are assessed by the Chelan County District Court based upon the cost of jury's that are seated for cases involving misdemeanors or gross misdemeanors, and those cases that require professional witness testimony.

Historical costs incurred for each of these services, as well as the 2010 budget are as follows:

Expenditure by Object	2006 Actual	2007 Actual	2008 Actual	2009 Budget	2010 Budget	Variance 2010 vs. 2009 Budget	
						Amount	Percent
Public Defender	\$ 224,966	\$ 236,805	\$ 260,103	\$ 258,700	\$ 259,700	\$ 1,000	0.39%
District Court	176,137	184,786	191,868	200,000	210,000	10,000	5.00%
Jury Fees	9,038	4,413	12,619	9,000	11,000	2,000	22.22%
Witness Fees	877	653	758	1,000	1,000	-	0.00%
<b>Total Expenditures</b>	<b>\$ 411,018</b>	<b>\$ 426,657</b>	<b>\$ 465,348</b>	<b>\$ 468,700</b>	<b>\$ 481,700</b>	<b>\$ 13,000</b>	<b>2.77%</b>

#### Percentage of General Fund Budget



**Chelan County Regional Justice Center  
(the jail)****Total 2010 Appropriation \$1,900,000****0 FTE****Description**

The Chelan County Regional Justice Center (the jail) is owned and operated by Chelan County and they rent jail space to those entities that require the housing of inmates at a rate of \$73.50 per day. The City of Wenatchee has for many years been a partner with Chelan and Douglas Counties in the operation and maintenance of the jail however effective with calendar year 2010 the City and Douglas County are now only customers of the facility paying a daily rate for their share of the prisoner population. The cost to house the City's prisoner population in 2010 is fixed at \$1,900,000 that is to be paid in 12 equal monthly installments of \$158,333.33. The fee the City pays is not based upon a specific average daily population of inmates however the City has agreed to pursue the goal of developing a strategic plan for booking, pretrial release, sentencing recommendations, and alternatives to incarceration that will keep the average daily population over the year at approximately 70 to 73 inmates. Except for routine minor medical services provided by jail staff, in addition to the fixed monthly fee, the City is also responsible the cost of all medical emergency and / or medical services provided to City of Wenatchee's inmate population.

A twenty-one-year history of City costs follows:

Year	Amount	Difference	
		\$	%
1990	295,128		
1991	247,423	(47,705)	-16.16%
1992	258,444	11,021	4.45%
1993	335,544	77,100	29.83%
1994	358,724	23,180	6.91%
1995	392,397	33,673	9.39%
1996	377,369	(15,028)	-3.83%
1997	523,352	145,983	38.68%
1998	601,252	77,900	14.88%
1999	611,381	10,129	1.68%
2000	623,918	12,537	2.05%
2001	633,759	9,841	1.58%
2002	675,588	41,829	6.60%
2003	762,900	87,312	12.92%
2004	852,828	89,928	11.79%
2005	982,179	129,351	15.17%
2006	981,700	(479)	-0.05%
2007	1,259,975	278,275	28.35%
2008	1,623,905	363,930	28.88%
2009	1,991,380	367,475	22.63%
2010	1,900,000	(91,380)	-4.59%

1990 through 2009 are actual operating costs  
and 2010 reflects the adopted budget.

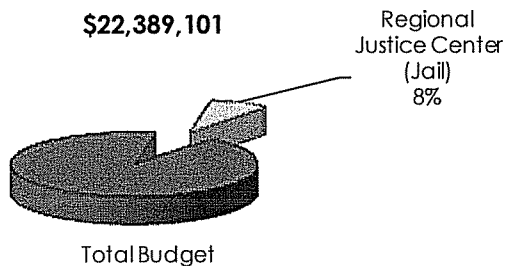
Average annual increase over the 20-year period  
1990 through 2010 is 9.758%.

Average annual increase over the 3-year period  
2006 through 2009 was 26.588%.

#### Percentage of General Fund Budget

##### **2010 General Fund Recurring Budget**

**\$22,389,101**



**Rivercom**  
**Total 2010 Appropriation \$843,805**  
**0 FTE**

**Description**

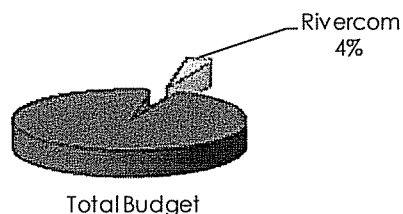
Within the Wenatchee geographic area, dispatch services for public safety (police, fire, sheriff and ambulance companies) had historically been provided by a number of agencies:

- The City of Wenatchee dispatched for City police and fire, ambulance companies, and a number of fire districts located in Chelan and Douglas Counties.
- Chelan County dispatched for their sheriff's office.
- Douglas County dispatched for their sheriff's office, the City of East Wenatchee police department and a number of fire districts.
- The City of Chelan dispatched for their police department.

Over the years it was recognized that it would be more efficient if dispatch services were provided by a single agency and after much effort by each of the aforementioned organizations a single entity known as Rivercom was created and became operational on July 1, 2004.

The cost of operating Rivercom is allocated among each of the benefiting agencies based upon their relative share of dispatches applied as a percentage of the total operating budget. The City of Wenatchee's cost for dispatch services under Rivercom has been as follows:

Expenditure by Object	2006 Actual	2007 Actual	2008 Actual	2009 Budget	2010 Budget	Variance 2010 vs. 2009 Budget	
						Amount	Percent
Payroll Taxes & Benefits	\$0	\$0	\$0	\$0	\$0	\$0	NA
Supplies	0	0	0	0	0	0	#DIV/0!
Other Services & Charges	822,829	800,228	811,536	889,100	843,805	(45,295)	-5.09%
Intergovernmental	0	0	0	0	0	0	NA
Capital Outlay	0	0	0	0	0	0	NA
<b>Total Expenditures</b>	<b>\$822,829</b>	<b>\$800,228</b>	<b>\$811,536</b>	<b>\$889,100</b>	<b>\$843,805</b>	<b>(\$45,295)</b>	<b>-5.09%</b>

**Percentage of General Fund Budget****2010 General Fund Recurring Budget****\$22,389,101**

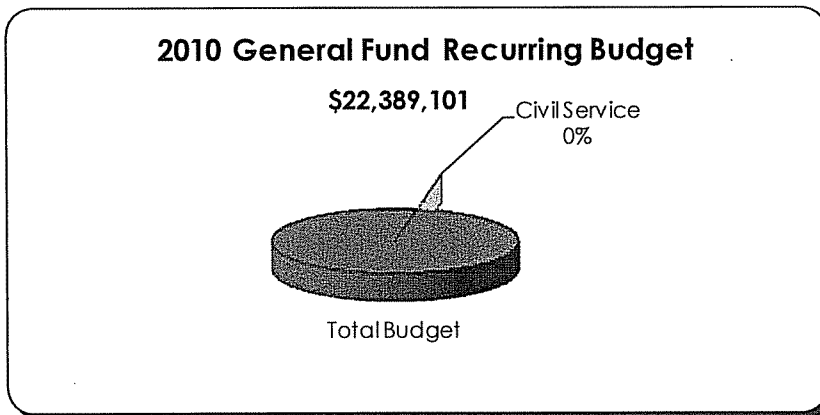
**Civil Service**  
**Total 2010 Appropriations \$19,110**  
**0 FTE**

**Department Description**

One of the more obvious functions of the Civil Service Commission is their charge to provide the police and fire departments with a slate of candidates to fill vacant police officer and firefighter positions. The Commission is composed of three City residents who are recommended by the Mayor and approved by the City Council. Activities of the Civil Service Commission include the creation and enforcement of rules and regulations regarding examinations, appointments, promotions, suspensions and discharges as well as investigating matters concerning the applications of the civil service ordinance.

**Expenditure Summary**

Expenditure by Object	2006 Actual	2007 Actual	2008 Actual	2009 Budget	2010 Budget	Variance 2010 vs. 2009 Budget	
						Amount	Percent
Payroll Taxes & Benefits	\$0	\$0	\$0	\$0	\$0	\$0	NA
Supplies	886	1,705	409	1,000	1,000	0	0.00%
Other Services & Charges	11,219	13,742	16,686	16,300	18,110	1,810	11.10%
Intergovernmental	0	0	0	0	0	0	NA
Capital Outlay	0	0	0	0	0	0	NA
<b>Total Expenditures</b>	<b>\$12,105</b>	<b>\$15,447</b>	<b>\$17,095</b>	<b>\$17,300</b>	<b>\$19,110</b>	<b>\$1,810</b>	<b>10.46%</b>

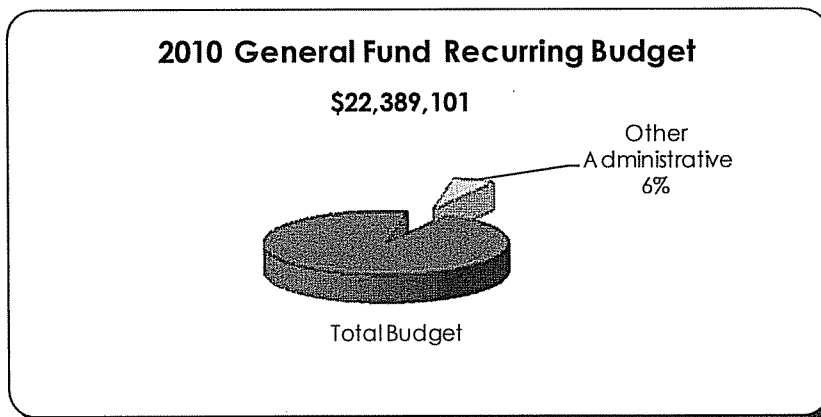
**Percentage of General Fund Budget**

**Other Administrative**  
**Total 2010 Appropriations \$1,447,949**  
**(Recurring = \$1,333,549)**  
**(Nonrecurring = \$94,400)**  
**0 FTE**

**Department Description**

The Other Administrative portion of the General Fund accounts for those activities that are not specific to the functions of any particular General Fund departmental operation. Expenditures recorded here are composed of debt service payments for LTGO/councilmanic bond issues, physical support of existing City facilities, property/casualty insurance premiums and support of agencies external to the City that provide social, cultural, recreational and economic development services to the City populace. For a more in depth discussion regarding the debt service payments that will be made during 2010 please reference Part 9 of this budget document.

The City has designated appropriations in this portion of the budget into what we consider as either recurring or non-recurring activities. Those appropriations that are of a recurring nature represent long-term obligations of the City. Those appropriations that are nonrecurring in nature represent commitments that are evaluated on an annual basis or are clearly "one-time" expenditures.

**Percentage of General Fund Budget**

Following is a list of all such expenditures for the 5-year period 2006 through 2010:

	2006 Actual	2007 Actual	2008 Actual	2009 Budget	2010 Budget
<b>Recurring</b>					
<b>Debt Service</b>					
<b>External</b>					
1993 Councilmanic Bonds (2008)	11,926	12,137	12,294	0	0
1997 Councilmanic Bonds (2006)	57,613	0	0	0	0
1998 Councilmanic Bonds (2014)	201,766	201,766	201,766	201,766	201,766
2007 Councilmanic Bonds (2022)	0	0	12,093	11,449	11,249
<b>Total external debt payments</b>	<b>271,305</b>	<b>213,903</b>	<b>226,153</b>	<b>213,215</b>	<b>213,015</b>
<b>Internal</b>					
Cemetery Trust Fund for Perf. Arts Cntr. (2009)	36,251	36,341	34,642	34,642	0
Cemetery Trust Fund for PFD Event Cntr. (2018)	0	0	7,146	71,508	71,509
Water/Sewer Fund for CERB Grant Loan (2010)	0	0	5,825	23,300	5,825
<b>Total internal debt payments</b>	<b>36,251</b>	<b>36,341</b>	<b>47,613</b>	<b>129,450</b>	<b>77,334</b>
<b>Total debt service payments</b>	<b>307,556</b>	<b>250,244</b>	<b>273,766</b>	<b>342,665</b>	<b>290,349</b>
City Services Building Maintenance	239,676	257,052	280,668	281,800	290,900
Property/Liability Insurance	398,700	398,700	398,700	398,700	317,100
Animal Control	151,590	166,749	183,424	199,900	199,900
Hospitality House	16,519	12,518	14,497	16,100	16,500
Women's Resource Center	6,000	6,000	6,000	6,000	6,000
Wenatchee Downtown Assoc.	20,000	20,000	20,000	22,000	22,000
Senior Center	3,200	3,200	3,500	3,500	3,500
North Central Regional Library	40,120	45,243	54,854	58,800	65,800
Fund 206 - LID 314/316	48,000	0	0	0	0
Trans. To #110 - LTC LEOFF 1 Fire/Police	0	120,000	135,000	101,500	101,500
Trans. To Fund #430-Cemetery	0	67,791	47,204	60,000	20,000
<b>Total Recurring</b>	<b>1,231,361</b>	<b>1,347,497</b>	<b>1,417,613</b>	<b>1,490,965</b>	<b>1,333,549</b>
<b>Nonrecurring</b>					
<b>Transfers to other funds</b>					
Trans. To Fund #103-Pipeline Bridge engineering	0	0	0	18,750	0
Trans. To Fund #205-\$3.1 million BAN interest	0	0	0	94,400	94,400
Trans. To Fund #308-PW Facility	574,000	0	0	0	0
Trans. To Fund #430-Cemetery	35,400	33,000	5,000	0	0
Trans. To Fund #304-Community Cntr. Contruction	74,000	0	0	0	0
Trans. To Fund #109-Walla Walla Ave.	0	728,957	0	0	0
Trans. To Fund #109-Riverside Drive	0	380,000	0	0	0
Trans. To Fund #504-Museum Roof	0	100,000	0	0	0
Trans. To Fund #505-Information Systems	10,011	105,930	47,397	0	0
Trans. To Fund #112-Ice Arena brine removal	0	0	102,589	0	0
Trans. To Fund #503-new police vehicles	0	0	111,540	0	0
Trans. To Fund #311-Council Chamber upgrades	0	0	20,000	0	0
Trans. To Fund #310-Orondo Boat Moorage	0	0	275	0	0
Trans. To Fund #314-City Invest. In Event Center	0	0	1,778,357	0	0
<b>Total transfers to other funds</b>	<b>693,411</b>	<b>1,347,887</b>	<b>2,065,158</b>	<b>113,150</b>	<b>94,400</b>
WA State Department of Retirement Systems	0	34,200	10,579	0	20,000
WDA - BID Feasibility Study	9,721	0	0	0	0
Planning - Aerial Orthophoto	14,592	0	0	0	0
<b>Total Nonrecurring</b>	<b>717,724</b>	<b>1,382,087</b>	<b>2,075,737</b>	<b>113,150</b>	<b>114,400</b>
<b>Total</b>	<b>1,949,085</b>	<b>2,729,584</b>	<b>3,493,350</b>	<b>1,604,115</b>	<b>1,447,949</b>



**Capital Outlay**  
**Total 2010 Appropriations \$0**  
**0 FTE**

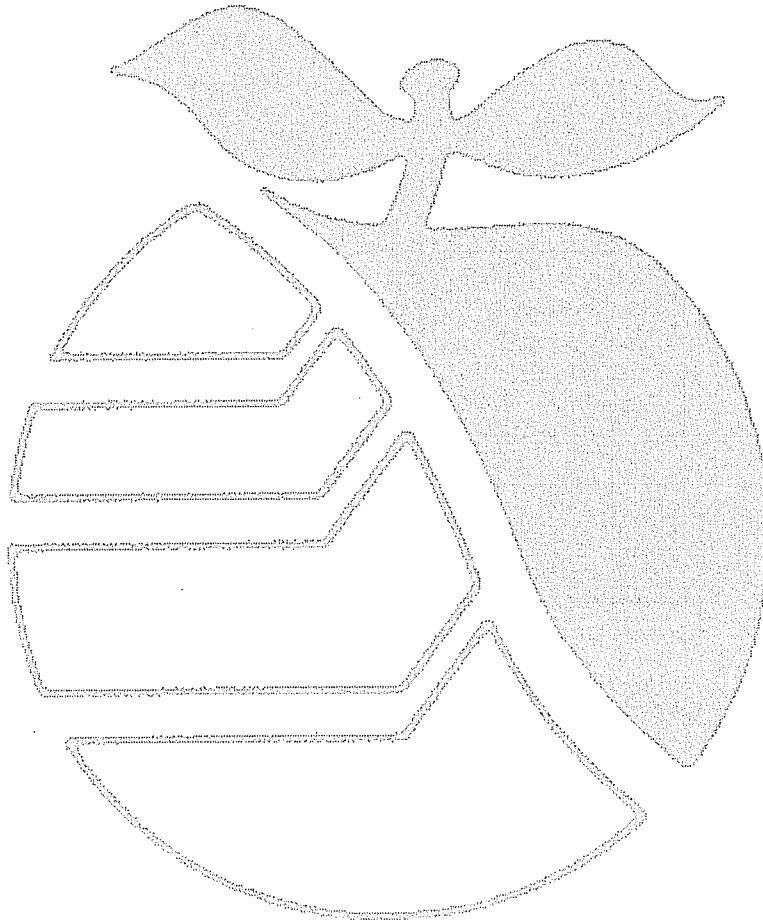
**Department Description**

For the purposes of budgeting and financial reporting, the City of Wenatchee defines capital outlay as the purchase or construction of a fixed asset with a cost of at least \$5,000 and an estimated useful life of at least four (4) years. The following schedule provides a list of award amounts by General Fund department for the years 2006 through 2010:

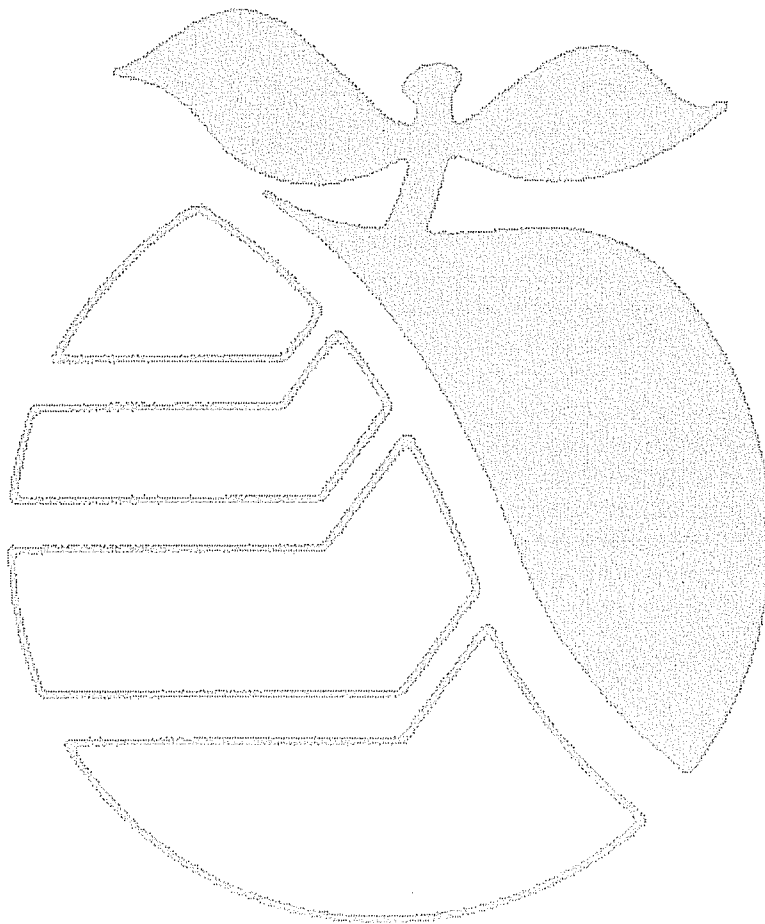
Department	Capital Awards				
	Actual 2006	Actual 2007	Actual 2008	Budget 2009	Budget 2010
Mayor/Council	0	36,463	0	0	0
Planning	0	0	0	0	0
Fire	0	0	0	0	0
Museum	0	14,890	0	0	0
Recreation/Pool	0	7,715	0	0	0
Parks Maintenance	0	0	0	0	0
Library	0	0	0	0	0
PW Building Land Acq	0	0	0	0	0
Police	0	0	10,750	0	0
Facility Repairs	0	0	0	0	0
<b>Total Expenditures</b>	<b>\$0</b>	<b>\$59,068</b>	<b>\$10,750</b>	<b>\$0</b>	<b>\$0</b>

In each of the past two years the General Fund has expended no funds on direct capital purchases due to the economic downturn and the resultant lack of resources. The General Fund's participation in capital projects has instead been through the transfer of money to other funds and these transactions are reported on the preceding page.

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## Part 8. Special Revenue Funds



**Public Arts Fund**  
**Total 2010 Appropriations \$21,000**  
**0 FTE**

**Description**

City of Wenatchee Ordinance # 99-35 mandates that one-percent of construction costs for projects in excess of \$25,000 (not including LID's) be set aside for "public arts projects". The projects funded can be any work of art that is purchased or commissioned for the benefit of the public and the funding of artistic programs that have public access.

Funding decisions are recommended by the City of Wenatchee Arts Commission and approved by City Council. A council-appointed board of nine community members make up the Arts Commission Board. Nominations to the board of the arts commission are accepted through the City Clerk at Wenatchee City Hall. The Arts Commission Board receives staff support from the Museum Department at Wenatchee Valley Museum and Cultural Center.

The Arts Commission advises the City of Wenatchee staff and council on matters relating to public art and art programming. The City has funded a variety of community art programs such as Write on the River, Art for Seniors (AWARE), Art on the Avenues, Beauty of Bronze and others through a competitive process.

The Arts Commission has also approved a variety of public art projects including integrated art at the Wenatchee Police Station; and the recent work at the Public Service Center. Sculpture and two-dimensional art has been purchased and placed in public spaces throughout the city. Much of this work is incorporated into the outdoor sculpture exhibit and artwalk in downtown Wenatchee. Other pieces are sited within public facilities such as the Community Center, City Hall and the library. City artwork is clearly identified with labels that show the artist, title and funder.

**Expenditure Summary**

Fund Number	
Public Arts Fund	101

	2006 Actual	2007 Actual	2008 Actual	2009 Budget	2010 Budget	Variance 2010 vs. 2009 Budget	
						Amount	Percent
<b><u>Revenues</u></b>							
Miscellaneous	88,030	27,315	61,397	20,000	20,000	0	0.00%
Interest	3,788	3,604	2,967	2,700	1,000	(1,700)	-62.96%
Total Revenues	91,818	30,919	64,364	22,700	21,000	(1,700)	-7.49%
<b><u>Expenditure by Object</u></b>							
Culture & Recreation	8,945	12,971	14,483	25,700	15,000	(10,700)	-41.63%
Capital Outlay	56,912	22,406	39,224	19,536	6,000	(13,536)	N/A
Total Expenditures	65,857	35,377	53,707	45,236	21,000	(24,236)	-115.41%
Net Increase (Decrease) in							
Fund Balance	25,961	(4,458)	10,657	(22,536)	0	22,536	-100.00%
Beginning Fund Balance	45,744	71,705	67,247	77,904	55,368	(22,536)	-28.93%
Ending Fund Balance	71,705	67,247	77,904	55,368	55,368	0	0.00%

<p style="text-align: center;"><b>Paths and Trails Fund</b> <b>Total 2010 Appropriations \$1,012,249</b> <b>0 FTE</b></p>
---

**Description**

The Paths and Trails Fund source of revenue is .42% of the total money received from the Motor Vehicle Fuel Tax (RCW 46.68.090). This money is restricted for the construction and/or improvement of paths and trails within the City. Because the cost of such projects is typically much larger than the funds generated in a single year we typically leave the fund balance untouched until an adequate fund balance is available.

During 2008 the City of Wenatchee participated with a number of local government organizations in an engineering study of the Wenatchee Reclamation Districts "black bridge" that crosses the Columbia River and is part of the Apple Capital Recreation Loop Trail. The City served as the lead agency in this study and the estimated project cost of \$100,046 and contributions from participating agencies were accounted for in this fund. Contributions from other agencies totaled \$90,000 and the difference of \$10,046 was paid from reserves of this fund.

During 2009 the City of Wenatchee contracted for a \$102,000 Pipeline Bridge repair project that was to be financed with \$10,000 of Paths and Trails Fund reserves, an \$18,750 transfer from the General Fund, \$10,000 from the Regional Water Fund, and the balance of \$63,250 financed through contributions from other municipalities and private donations.

During 2009 the City of Wenatchee also received a \$1,499,749 Federal stimulus grant to repaint the Pipeline Bridge. We estimated and budgeted for \$500,000 of the work being accomplished in 2009 with the balance of \$999,749 being completed in 2010.

**Expenditure Summary**

Fund Number	
Paths & Trails	103

	2006 Actual	2007 Actual	2008 Actual	2009 Budget	2010 Budget	Variance 2010 vs. 2009 Budget	
						Amount	Percent
<b><u>Revenues</u></b>							
Miscellaneous	1,719	2,527	92,867	75,250	15,400	(59,850)	-79.53%
Grants	0	0	0	500,000	999,749	499,749	99.95%
Interest	558	834	1,115	200	0	(200)	-100.00%
Total Revenues	2,277	3,362	93,981	575,450	1,015,149	439,699	76.41%
<b><u>Expenditure by Object</u></b>							
Operating	0	0	97,802	602,000	999,749	397,749	66.07%
Capital Outlay	0	0	0	0	0	0	#DIV/0!
Total Expenditures	0	0	97,802	602,000	999,749	397,749	66.07%
<b><u>Other Financing Sources (Uses)</u></b>							
Transfers In	0	0	0	18,750	0	(18,750)	N/A
Transfers Out	0	0	0	0	(12,500)	(12,500)	N/A
Total Other Sources (Uses)	0	0	0	18,750	(12,500)	(31,250)	N/A
Net Increase (Decrease) in							
Fund Balance	2,277	3,362	(3,821)	(7,800)	2,900	10,700	-137.18%
Beginning Fund Balance	11,899	14,176	17,538	13,717	5,917	(7,800)	-56.86%
Ending Fund Balance	14,176	17,538	13,717	5,917	8,817	2,900	49.01%

**Tourism Promotion Area Fund**  
**Total 2010 Appropriations \$162,200**  
**0 FTE**

**Description**

During the 2003 State Legislative Session the Washington State Legislature approved ESSB 6026 (codified in RCW 35.101) which authorized the establishment of a Tourism Promotion Area (TPA) to levy special assessments to fund tourism promotion. Early in the summer of 2006 the City of Wenatchee received a petition from the Wenatchee Hotel-Motel Association requesting that a tourism promotion area be formed that among other things:

- Established the boundaries of the TPA to encompass the entire City of Wenatchee.
- Stated that revenues from a special assessment be directed towards the promotion of tourism that benefits lodging businesses and local tourism.
- Imposes a \$1 per room per night special assessment on the operators of lodging businesses.
- That the Wenatchee Hotel-Motel Association appoints a 7 member committee to advise the City Council on the appropriate use of the special assessment. Further that the Committee be comprised of 4 operators of lodging businesses, 2 City of Wenatchee officials, and 1 member who must be an operator of a tourism related activity within the TPA but who is not a lodging operator or City official.

The City Council subsequently adopted Ordinance #2006-29 which established a tourism promotion area, and Resolution #2007-11 that appointed the TPA Advisory Committee members.

**Expenditure Summary**

		Fund Number					
TOURISM PROMOTION AREA		104					
	2006 Actual	2007 Actual	2008 Actual	2009 Budget	2010 Budget	Variance 2010 vs. 2009 Budget	
						Amount	Percent
<b>Revenues</b>							
Tourism Promotion Area Tax	0	184,081	181,023	158,600	161,800	3,200	2.02%
Interest Paid by WA State	0	2,031	(770)	400	400	0	0.00%
Total Revenues	0	186,112	180,253	159,000	162,200	3,200	2.01%
<b>Expenditure by Object</b>							
Culture & Recreation	0	186,112	180,253	159,000	162,200	3,200	2.01%
Total Expenditures	0	186,112	180,253	159,000	162,200	3,200	0
<b>Other Financing Sources (Uses)</b>							
Transfers In							
Transfers Out	0	0	0	0	0	0	#DIV/0!
Total Other Sources (Uses)	0	0	0	0	0	0	#DIV/0!
Net Increase (Decrease) in							
Fund Balance	0	0	0	0	0	0	#DIV/0!
Beginning Fund Balance	0	0	0	0	0	0	#DIV/0!
Ending Fund Balance	0	0	0	0	0	0	#DIV/0!

**Hotel/Motel Tax-Capital Fund**  
**Total 2010 Appropriations \$201,100**  
**0 FTE**

**Description**

In 1974 the City Commission adopted Ordinance No. 2160, which allowed the City to levy a hotel/motel tax of two percent (2%). This tax has been used to partially offset the cost of operations of the City's Convention Center that we account for in fund number 106.

During 1995 the City Commission adopted Ordinance No. 3137, which allowed the City to levy an additional hotel/motel tax of two percent (2%). This tax has been allocated with 60% going towards the expansion of the Convention Center (we have accounted for this portion in fund number 105), and 40% going towards tourism promotion (we have accounted for this portion in fund number 107).

In 1997 the City Commission adopted Ordinance No. 97-12, which levied a hotel/motel tax of six percent (6%), and this rate was reaffirmed in 1998 with Ordinance #98-44. Distribution of the tax is as follows:

- Four percent (4%) of the six percent (6%) total is a re-enactment of each of the two percent (2%) taxes previously approved via Ordinances 2160 and 3137. The allocation of this four percent (4%) is 30% to Fund 105 for expansion of the Convention Center, 50% to Fund 106 for operations of the Convention Center, and 20% to Fund 107 for tourism promotion.
- The remaining two percent (2%) will be allocated at a rate of 20% to Fund 106 for operations of the Convention Center, and 80% to Fund 107 for tourism promotion.

The distribution viewed from a percentage perspective is as follows:

		Distribution			Total
		105	106	107	
	Tax Levy	Capital Expenses	Convention Center Operation	Tourism Promotion	
<b>Prior Rate &amp; Distribution</b>					
Ordinance #2160	2%	0%	100%	0%	100%
Ordinance #3137	2%	60%	0%	40%	100%
	<u>4%</u>	<u>30%</u>	<u>50%</u>	<u>20%</u>	<u>100%</u>
<b>Current Rate &amp; Distribution</b>					
Ordinance #97-12 & #98-44	4%	30%	50%	20%	100%
Ordinance #97-12 & #98-44	2%	0%	20%	80%	100%
	<u>6%</u>	<u>20%</u>	<u>40%</u>	<u>40%</u>	<u>100%</u>

For 2010 we anticipate revenues of this fund will be comprised of \$175,800 of hotel/motel taxes earned in the City of Wenatchee, and an additional \$25,000 from the City of East Wenatchee (who through an interlocal agreement signed in 1996 will contribute 60% of the same tax source through 2010). The sole expenditure in 2010 of \$201,100 reflects a transfer all estimated revenues and reserve balances to the Convention Center operating fund that will partially offset the annual debt service payment on LTGO bonds issued in 1997 and 2007 for renovations and expansion of the facility.



**Expenditure Summary**

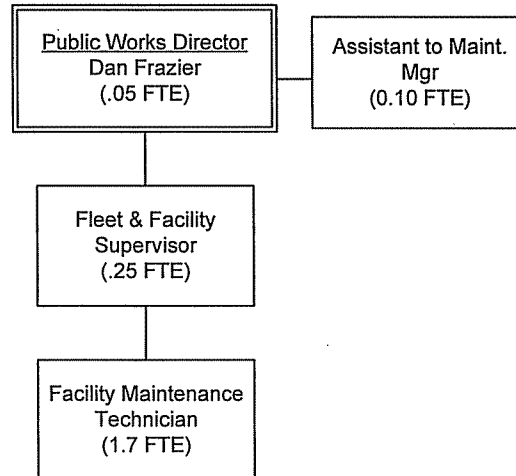
Fund Number

Hotel/Motel Tax-60% Capital

105

	2006	2007	2008	2009	2010	Variance 2010 vs. 2009 Budget	
	Actual	Actual	Actual	Budget	Budget	Amount	Percent
<b><u>Revenues</u></b>							
Hotel/Motel Taxes	173,329	197,817	201,611	172,000	175,800	3,800	2.21%
Hotel/Motel Taxes-East Wenatchee	20,255	25,508	25,849	25,800	25,000	(800)	-3.10%
Interest	4,195	5,989	2,640	300	300	0	0.00%
Total Revenues	197,779	229,314	230,101	198,100	201,100	3,000	1.51%
<b><u>Expenditure by Object</u></b>							
Capital Outlay	0	0	0	0	0	0	N/A
Total Expenditures	0	0	0	0	0	0	N/A
<b><u>Other Financing Sources (Uses)</u></b>							
Transfers In							
Transfers Out	(170,681)	(249,175)	(230,685)	(229,419)	(201,100)	28,319	-12.34%
Total Other Sources (Uses)	(170,681)	(249,175)	(230,685)	(229,419)	(201,100)	28,319	-12.34%
<b>Net Increase (Decrease) in</b>							
Fund Balance	27,098	(19,861)	(584)	(31,319)	0	31,319	-100.00%
Beginning Fund Balance	24,667	51,764	31,903	31,319	0	(31,319)	-100.00%
Ending Fund Balance	51,764	31,903	31,319	0	0	0	0.00%

**Convention Center Fund**  
**Public Works Department**  
**Total 2010 Appropriations \$1,079,700**  
**2.1 FTE**



### **Facility Description**

The Convention Center facility was constructed in 1980 through an Economic Development Administration grant in the amount of \$2.6 million. At the initial point of construction the facility was comprised of 2 levels of 25,000 square feet each and included a combination of exhibition and "break-out" rooms as well as a full kitchen facility. Since that time a number of additions and renovations have taken place including:

- In 1989 a plaza fountain was added to the facility at a cost of \$276,000.
- In 1993 the Convention Center underwent an extensive remodel that among other things resulted in improvements to the heating, ventilation and air conditioning system, and the replacement of the sound system, carpet and windows. The total cost of this renovation was \$676,000 and was financed through the issuance of 15-year LTGO bonds.
- In 1997 the City issued \$3,550,000 in 25-year LTGO bonds whose proceeds were used to add a 14,000 square foot exhibition hall and renovate 11,000 square feet of existing meeting space. The 1997 LTGO bonds were subsequently refunded in 2007 with the new issue resulting in a savings over the remaining 14-years of the initial bond issue of \$276,466 (for a net present value savings of \$214,276). See Part 9 of this document for a related discussion.
- In 2007 the City issued \$711,111 that will be used to finance a variety of technology related improvements at the Convention Center. These are 15-year bonds and are due to be paid-off in annual installments running through 2022. Annual debt service payments of approximately \$64,100 per year will be funded through money generated by Convention Center operations and a share of the Chelan County hotel/motel tax that is generated by hotels/motels located in the unincorporated areas of the County

### **Facility Operations**

The Convention Center Fund accounts for operations of the City's Convention Center and the facility itself is managed on behalf of the City by the Coast Hotel. This management contract was initially signed in 1980 and lasted for a period of seven years. The contract also included options for three extensions of seven years each that were exercised in 1987, 1994 and 2001. The final contract extension in which we are now in will expire in the fall of 2008 and a new management contract will have to be negotiated with either the Coast Hotel or possibly a new management team. The operations of this fund are closely tied to the Hotel/Motel Tax - Capital and Tourism Funds (fund numbers 105 and 107).

Primary revenue sources for 2010 include:

- Hotel/motel taxes collected and disbursed by the State of Washington estimated at \$351,600 (see the narratives for Hotel/Motel Tax - Capital and/or Tourism for a detailed explanation).
- At the end of 2007 a ten-year contract with Chelan County expired that provided the City with 20% of total hotel/motel taxes collected in the unincorporated areas of the County. In the latter part of 2007 the County Commissioners extended this agreement for one-year through 2008, and during 2008 entered into a 10-year agreement (1/1/2009 through 12/31/2018) to provide the City with \$65,000 per year. It is intended that this \$65,000 will pay the debt service costs on City LTGO bonds issued at the end of 2007 whose proceeds were used for the renovation of the Convention Center. Because the bonds require annual payments of approximately \$65,000 through 2022 we will in the future request a contract extension for the years 2019 through 2022.
- Commissions earned from the West Coast as a part of their management contract in which they remit predetermined percentages of operating revenues - estimated by the City at \$175,300 for 2010. Commission types and percentages are as follow:
  - Food - 10%
  - Beverage - 10%
  - Room Rent - 25%
  - Vending - 25%
  - Miscellaneous – 25%
- An operating transfer in of \$201,100 from Fund 105 - Hotel/Motel Tax - Capital which will be used towards servicing debt related to the 2007 LTGO bond issues.

Expenditures of the fund revolve around the operations and maintenance of the facility as well as the debt service payments on bonds issued in 2007 (see Parts 6 and 9 of this document for additional information on bond issues). An additional expenditure in 2010 will be a one-time transfer of \$350,000 to the General Fund that will partly offset an estimated \$1,591,682 contingent loan agreement (CLA) payment towards the Greater Wenatchee Regional Event Center Public Facility District's 2010 bond payment.

**Expenditure Summary**

Fund Number							
Convention Center	106						
	2006	2007	2008	2009	2010	Variance 2010 vs. 2009 Budget	
	Actual	Actual	Actual	Budget	Budget	Amount	Percent
<b>Revenues</b>							
Hotel/Motel Taxes	407,281	464,877	481,694	410,000	416,600	6,600	1.61%
West Coast Commissions	177,852	199,964	195,591	171,900	175,300	3,400	1.98%
Interest	12,402	11,171	9,495	5,700	5,000	(700)	-12.28%
Miscellaneous	3,555	1	3,025	1,501	2,001	500	33.31%
Total Revenues	601,090	676,013	689,805	589,101	598,901	9,800	1.66%
<b>Expenditure by Object</b>							
Culture & Recreation	406,979	415,792	388,634	415,309	424,492	9,183	2.21%
Capital Outlay	133,421	28,797	0	75,000	0	(75,000)	-100.00%
Total Expenditures	540,400	444,589	388,634	490,309	424,492	(65,817)	-13.42%
<b>Other Financing Sources (Uses)</b>							
Fixed Asset Disposition	0	0	0	0	0	0	N/A
Transfers In	170,681	249,175	230,685	229,419	201,100	(28,319)	-12.34%
Transfers Out	(323,305)	(324,229)	(416,280)	(302,418)	(655,208)	(352,790)	N/A
Total Other Sources (Uses)	(152,624)	(75,054)	(185,595)	(72,999)	(454,108)	(381,109)	522.07%
Net Increase (Decrease) in Fund Balance	(91,934)	156,370	115,576	25,793	(279,699)	(305,492)	-1184.40%
Beginning Fund Balance	403,715	311,780	468,150	583,726	609,519	25,793	4.42%
Ending Fund Balance	311,781	468,150	583,726	609,519	329,820	(279,699)	-45.89%

**Personnel Summary**

Position	2006 Actual	2007 Actual	2008 Actual	2009 Budget	2010 Budget
Public Works Director of Operations	0	0	0.05	0.05	0.05
Maintenance Manager	0.1	0.1	0	0	0
Maintenance Supervisor	0	0.25	0.25	0.25	0.25
Assistant to ER&R	0.075	0.075	0.1	0.1	0.1
Facility Maintenance Tech	1.7	1.7	1.7	1.7	1.7
<b>Total Personnel</b>	<b>1.875</b>	<b>2.125</b>	<b>2.1</b>	<b>2.1</b>	<b>2.1</b>

**Hotel/Motel Tax-Tourism Fund**  
**Total 2010 Appropriations \$351,600**  
**0 FTE**

**Description**

In 1974 the City Commission adopted Ordinance No. 2160, which allowed the City to levy a hotel/motel tax of two percent (2%). This tax has been used to partially offset the cost of operations of the City's Convention Center that we account for in fund number 106.

During 1995 the City Commission adopted Ordinance No. 3137, which allowed the City to levy an additional hotel/motel tax of two percent (2%). This tax has been allocated with 60% going towards the expansion of the Convention Center (we have accounted for this portion in fund number 105), and 40% going towards tourism promotion (we have accounted for this portion in fund number 107).

In 1997 the City Commission adopted Ordinance No. 97-12, which levied a hotel/motel tax of six percent (6%), and this rate was reaffirmed in 1998 with Ordinance #98-44. Distribution of the tax is as follows:

- Four percent (4%) of the six percent (6%) total is a re-enactment of each of the two percent (2%) taxes previously approved via Ordinances 2160 and 3137. The allocation of this four percent (4%) is 30% to Fund 105 for expansion of the Convention Center, 50% to Fund 106 for operations of the Convention Center, and 20% to Fund 107 for tourism promotion.
- The remaining two percent (2%) will be allocated at a rate of 20% to Fund 106 for operations of the Convention Center, and 80% to Fund 107 for tourism promotion.

The distribution viewed from a numbers perspective is as follows:

	Tax Levy	Distribution			Total
		105	106	107	
		Capital Expenses	Convention Center Operation	Tourism Promotion	
<b>Prior Rate &amp; Distribution</b>					
Ordinance #2160	2%	0%	100%	0%	100%
Ordinance #3137	2%	60%	0%	40%	100%
	<u>4%</u>	<u>30%</u>	<u>50%</u>	<u>20%</u>	<u>100%</u>
<b>Current Rate &amp; Distribution</b>					
Ordinance #97-12 & #98-44	4%	30%	50%	20%	100%
Ordinance #97-12 & #98-44	2%	0%	20%	80%	100%
	<u>6%</u>	<u>20%</u>	<u>40%</u>	<u>40%</u>	<u>100%</u>

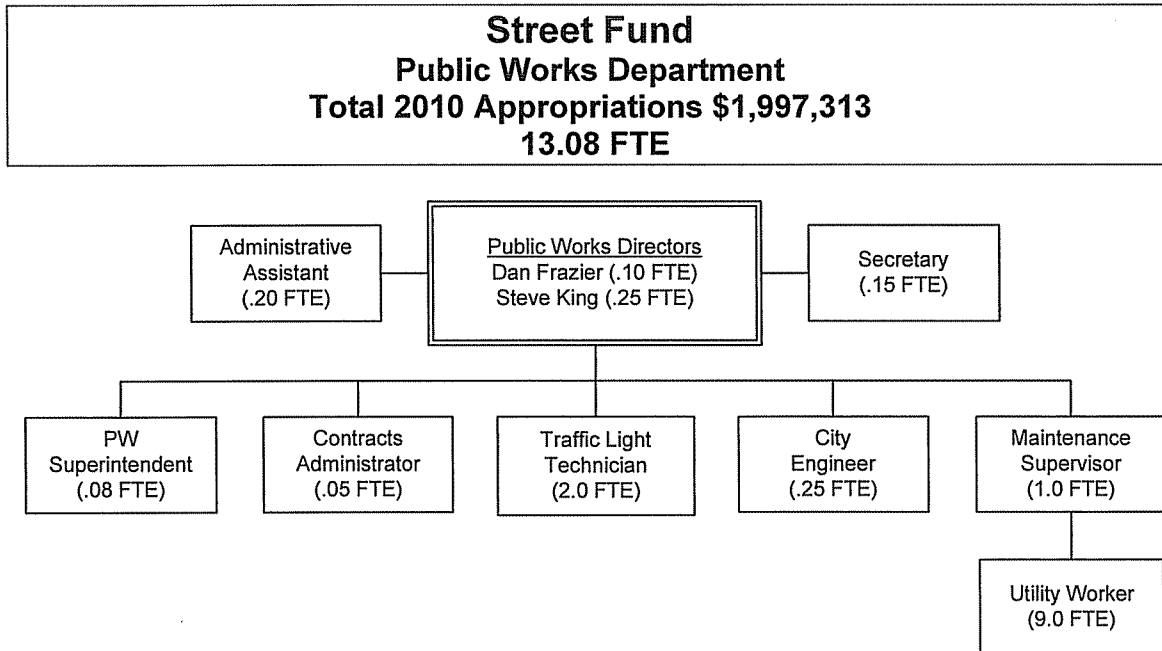
During 1997 the Wenatchee City Commission and East Wenatchee City Council appointed an eight member Tourism Advisory Committee to research and advise as to how the tax dollars collected may best be used for the purpose of advertising and marketing tourism for the greater Wenatchee area.

As a result of the efforts of this committee the Wenatchee Valley Convention and Visitors Bureau was created during the latter half of 1998 and an executive director was appointed to develop and maintain a marketing plan. The 2010 appropriation reflects the anticipated cost of running this program.

### Expenditure Summary

Fund Number	
Hotel/Motel Tax-40% Tourism	107

	2006 Actual	2007 Actual	2008 Actual	2009 Budget	2010 Budget	Variance 2010 vs. 2009 Budget	
						Amount	Percent
<b>Revenues</b>							
Hotel/Motel Taxes	346,674	395,634	403,223	345,000	351,600	6,600	1.91%
Miscellaneous	0	0	0	0	0	0	N/A
Interest	2,164	2,711	987	900	1,000	100	11.11%
Total Revenues	348,838	398,345	404,210	345,900	352,600	6,700	1.94%
<b>Expenditure by Object</b>							
Culture & Recreation	387,173	395,634	408,223	350,000	351,600	1,600	0.46%
Capital Outlay	0	0	0	0	0	0	N/A
Total Expenditures	387,173	395,634	408,223	350,000	351,600	1,600	0.46%
<b>Other Financing Sources (Uses)</b>							
Fixed Asset Disposition	0	0	0	0	0	0	N/A
Transfers In	0	0	0	0	0	0	N/A
Transfers Out	0	0	0	0	0	0	N/A
Total Other Sources (Uses)	0	0	0	0	0	0	N/A
Net Increase (Decrease) in							
Fund Balance	(38,335)	2,711	(4,013)	(4,100)	1,000	5,100	-124.39%
Beginning Fund Balance	61,270	22,935	25,646	21,633	17,533	(4,100)	-18.95%
Ending Fund Balance	22,935	25,646	21,633	17,533	18,533	1,000	5.70%



### **FUND DESCRIPTION**

The Street Fund is a special revenue fund that accounts for revenues and expenditures associated with the maintenance of City streets. The primary source of revenue for this fund is property tax, sales and motor vehicle fuel tax, and interfund billings to the Storm Drain Fund (discussed in Part 11 of this document) for street sweeping, catch basin and line cleaning services.

### **STREET DIVISION (001)**

#### **Description**

The Street Division of the Public Works Department has the responsibility for the maintenance of the City's streets and alleys. The Street Division maintains over 250 lane miles of streets utilizing nearly 40 pieces of street equipment. The Street Division is responsible for snow and ice control on all City streets along with those sections of the state highways that run through the City. The street crews also sweep and clean all city streets and maintain pavement markings and signage. In addition, the Street Division maintains those portions of the sidewalks that are the responsibility of the City and cleans and maintains the structures comprising the City's storm drainage system.

### **TRAFFIC DIVISION (002)**

#### **Description**

The traffic fund is a special revenue fund accounting for revenues and expenditures for the maintenance of City owned traffic signals and illumination systems. The primary sources of revenue are property taxes and state levied gasoline taxes.

#### **Major Service**

The Traffic Division is responsible for the repair and maintenance of 48 traffic signals and approximately 1900 street lights within the City. The activities of the Traffic Division also include working directly with the other Public Works divisions and the other City Departments to ensure the accomplishment of department goals.

#### **Summary**

The 2010 Traffic Division maintenance budget request is identical to the 2009 budget with the exception of adjustments down in overtime and repair and maintenance expenditures. These reductions are a result of the LED replacement project and a reduction in purchasing specialized

tools. This budget also includes a \$30,000 capital request for LED signal display bulb conversions as was requested in 2008. This year's LED replacement budget is expected to be the last in an effort to upgrade the entire city. This project brings the City traffic signal system up to industry standards which results in increased reliability (safety) and decreased maintenance. Over forty percent (40%) of the remaining maintenance budget covers electrical service for the street lights. Total end of the year expenditures may vary depending upon whether or not there is an increase in the PUD electrical power rates and the number of vehicle accidents inflicting damage to either street lights or signal system equipment.



**Expenditure Summary**

Fund Number	
Streets	108

	2006 Actual	2007 Actual	2008 Actual	2009 Budget	2010 Budget	Variance 2010 vs. 2009 Budget	
						Amount	Percent
<b>Revenues</b>							
Taxes	1,143,618	1,164,137	1,252,076	#####	1,059,113	(179,902)	-14.52%
Intergovernmental Revenue	422,501	409,282	393,242	407,600	396,000	(11,600)	-2.85%
Charges for Services	125,000	96,742	218,285	303,000	363,000	60,000	N/A
Interest	29,026	28,755	12,768	4,200	4,000	(200)	-4.76%
Miscellaneous	10,504	12,969	10,396	10,000	10,000	0	N/A
Total Revenues	1,730,649	1,711,884	1,886,767	1,963,815	1,832,113	(131,702)	-6.71%
<b>Expenditure by Object</b>							
Transportation	1,654,263	1,726,291	1,922,280	1,974,415	1,997,313	22,898	1.16%
Capital Outlay	40,980	28,564	9,199	90,000	0	(90,000)	-100.00%
Total Expenditures	1,695,243	1,754,855	1,931,479	2,064,415	1,997,313	(67,102)	-3.25%
<b>Other Financing Sources (Uses)</b>							
Fixed Asset Disposition	0	0	0	0	0	0	N/A
Transfers In	0	0	0	0	0	0	#DIV/0!
Transfers Out	(121,517)	0	(43,100)	(4,600)	0	4,600	N/A
Total Other Sources (Uses)	(121,517)	0	(43,100)	(4,600)	0	4,600	-100.00%
<b>Net Increase (Decrease) in</b>							
Fund Balance	(86,111)	(42,971)	(87,811)	(105,200)	(165,200)	(60,000)	57.03%
Beginning Fund Balance	762,067	675,955	632,983	545,172	439,972	(105,200)	-19.30%
Ending Fund Balance	675,955	632,983	545,172	439,972	274,772	(165,200)	-37.55%

**Personnel Summary**

Position	2006	2007	2008	2009	2010
	Actual	Actual	Actual	Budget	Budget
Public Works Director	0.15	0.15	0.35	0.35	0.35
Administrative Assistant	0.5	0.2	0.2	0.2	0.2
City Engineer	0	0	0.25	0.25	0.25
Contracts Administrator	0	0.05	0.05	0.05	0.05
Secretary	0	0.15	0.15	0.15	0.15
Facility Manager	0.25	0.25	0	0	0
Street Maintenance Supervisor	1	1	1	1	1
Electric Tech. Supervisor	0	0	0	0	0
Utility Workers/Streets	8	9	9	9	9
Traffic Lighting Technician	2	2	2	2	2
Public Works Superintendent	0	0	0	0.08	0.08
<b>Total Personnel</b>	<b>11.9</b>	<b>12.8</b>	<b>13</b>	<b>13.08</b>	<b>13.08</b>

<p style="text-align: center;"><b>Arterial Street Fund</b> <b>Public Works Department</b> <b>Total 2010 Appropriations \$1,861,030</b> <b>0 FTE</b></p>
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**Description**

The Arterial Street Fund is a special revenue fund that accounts for revenues and expenditures associated with providing safe and well-constructed traffic corridors for the traveling public. Recurring fund revenues (those we expect to see each year) are comprised of a portion of the state motor vehicle gas tax that is distributed to cities on a per capita basis. In 2005, the state motor vehicle gas tax revenue increased resulting from the passage of additional state gas tax. Non-recurring revenues (those that are one-time in nature) include grants from federal, state and local agencies that are applied to specific construction projects.

In 2008, the majority of effort associated with this fund was dedicated to completion of the Walnut Hawley project and design of Riverside Drive. The City Council adopted an LID to help fund the Riverside Drive project. Additionally, the City completed the brick street rehabilitation project.

Goals for 2009 included construction of Riverside Drive, the North Wenatchee Turn Lane project, and the audible pedestrian signal project. Also completed was substantial design work for the South Wenatchee Avenue project, Miller and Washington signal project, and McKittrick and Wenatchee Avenue signal project.

An additional transaction that is unique to the 2006 through 2008 Budgets is the purchase of land that was necessary for the Hawley/Walnut project. Details of the unique nature of this transaction are as follows:

- In 2006 the Water/Sewer Fund loaned \$2,495,792 to the Arterial Street Fund to acquire land.
- In 2007 the Arterial Street Fund repaid a portion of the loan in the following installments:
  - \$434,877 as a result of a Transportation Improvement Board (TIB) grant reimbursement for right of way.
  - \$881,424 as a result of the sale of a portion of unneeded land.
  - Each of these transactions resulted in a total of loan repayments of \$1,316,305, and leaving a remaining loan balance of \$1,179,487.
- In 2008 the single remaining parcel of unneeded land was sold, netting enough to repay the remaining loan balance of \$1,179,491.

Arterial Street project expenses and related revenues for 2010 are as follows. Note that many projects span more than one year and that figures presented below reflect only the activity we anticipate will occur in 2010.

ESTIMATED REVENUES			
Recurring			
Motor Vehicle Fuel Tax			301,700
Non-Recurring			
State and Federal Grants			
STP	951,012		
TIB	818,806		
WA State DOT	542,824	2,312,642	
Local Grants			
Chelan County		0	
Interfund Sources			
Street Fund	0		
Sewer Fund	0		
Storm Drain Fund	0	0	
Other			
Private contributions	33,907		
Interest income	5,000	38,907	2,351,549
Total estimated revenues			2,653,249
APPROPRIATIONS			
Riverside Drive		174,910	
Audible Pedestrian Signals		111,442	
Washington-Miller Signal		303,500	
McKittrick Signal		142,500	
South Wenatchee Avenue		509,000	
North Wenatchee Turn Lane		288,000	
Orondo Right Turn Lane		281,678	
Miscellaneous/Minor		50,000	
Total appropriations			1,861,030
Revenues over (under) expenditures			792,219
Estimated fund balance @ 12/31/2009			85,007
Estimated fund balance @ 12/31/2010			877,226

**Expenditure Summary**

Fund Number	
Arterial Streets	109

	2006 Actual	2007 Actual	2008 Actual	2009 Budget	2010 Budget	Variance 2010 vs. 2009 Budget	
						Amount	Percent
<b>Revenues</b>							
Intergovernmental Revenue	571,962	4,772,935	921,906	3,533,410	2,614,342	(919,068)	-26.01%
Interest	7,309	(5,392)	19,663	5,000	5,000	0	0.00%
Miscellaneous	228,306	3,880	882	0	33,907	33,907	#DIV/0!
Proceeds from Sale of Land	0	1,012,770	1,831,302	0	0	0	#DIV/0!
Interfund Loans Received	2,495,792	0	0	0	0	0	#DIV/0!
Total Revenues	3,303,369	5,784,193	2,773,753	3,538,410	2,653,249	(885,161)	-25.02%
<b>Expenditure by Object</b>							
Transportation	6,148	37,899	60,512	0	0	0	#DIV/0!
Capital Outlay	609,341	5,478,292	768,004	4,550,887	1,861,030	(2,689,857)	-59.11%
Land Acquisition	2,501,062	10,540	0	0	0	0	#DIV/0!
Interfund Loans Repaid	0	1,316,301	1,179,491	0	0	0	#DIV/0!
Total Expenditures	3,116,551	6,843,032	2,008,007	4,550,887	1,861,030	(2,689,857)	-59.11%
<b>Other Financing Sources (Uses)</b>							
Transfers In	121,517	1,258,957	0	0	0	0	#DIV/0!
Transfers Out	0	0	(200,000)	0	0	0	#DIV/0!
Total Other Sources (Uses)	121,517	1,258,957	(200,000)	0	0	0	#DIV/0!
<b>Net Increase (Decrease) in</b>							
Fund Balance	308,335	200,118	565,746	(1,012,477)	792,219	1,804,696	-178.25%
Beginning Fund Balance	23,285	331,620	531,738	1,097,484	85,007	(1,012,477)	-92.25%
Ending Fund Balance	331,620	531,738	1,097,484	85,007	877,226	792,219	931.95%

**LEOFF 1 - Long-Term Care Fund**  
**Total 2010 Appropriations \$125,000**  
**0 FTE**

**Description**

RCWs 41.16 and 41.18 require cities in the State of Washington to pay for long-term care costs incurred by pre-LEOFF and LEOFF 1 employees and retirees *for as long as they live* (LEOFF is an acronym for law enforcement officers and firefighters. Pre-LEOFF refers to those employees hired prior to March 1, 1970, while LEOFF 1 refers to those employees hired between March 1, 1970 and September 30, 1977). As of December 31, 2009, the City had 41 individuals (combined active and retired) that are eligible for this benefit:

	Active	Retired	Total	Medicare Eligible
Fire	1	20	21	12
Police	0	20	20	10
	1	40	41	22

At the time the Washington State Legislature added this feature to the benefit package of eligible employees and retirees, they failed to follow through with a source of funding with which cities, counties, or fire districts could cover the added costs of operations. As a result of this unfunded mandate the City has investigated how to responsibly provide this benefit to eligible individuals in the most cost effective manner possible. The alternatives we have considered range as follows:

- A "pay as you go" approach where we pay for the LTC costs from annual revenues of the General Fund. This was the method of funding used by the City of Wenatchee and most other employers in the State for a number of years. The problem with this approach is that it ignores the future where the population of eligible beneficiaries attains an age where they are more likely to utilize this benefit. If multiple beneficiaries utilize the benefit in a single year, ongoing General Fund operations are placed in jeopardy.
- Purchase LTC insurance that will provide the benefit to eligible individuals with the City paying nothing more than annual premiums. This represents the preferred alternative but unfortunately does not completely solve the problem of covering all eligible individuals because the insurance provider refuses to "cover" everyone. From our experience the insurance carriers will provide coverage to approximately 75% of individuals eligible for the benefit but will not cover the 25% who are most likely to use the benefit (those who are oldest or ailing). In the short run this is the most expensive means of addressing the benefit because it requires an expenditure for both the purchase of the insurance coverage (for those individuals least likely to utilize the benefit) and directly paying for the cost of care for those individuals that are uninsurable.
- The alternative we ultimately chose to address the State mandate to provide this LTC benefit was to establish a "self-funding program", which is a compromise between the two that were previously discussed. In September 2000, the City created this special revenue fund as a means of setting money aside to finance current and future claims, and to provide an accounting for the LTC costs incurred. The typical source of funding for this program is an annual operating transfer from the General Fund. During 2005 however, the City closed-out the medical portion of its Self-Insurance Fund and transferred excess reserves of \$205,951 to this Fund. Consequently, the City Council chose to forgo the 2006 General Fund operating transfer but recognized the need to continue with this transfer in subsequent years beginning again in 2007.
- In 2008 the City contracted with Milliman Inc. to conduct an actuarial study of the LEOFF 1 Long-Term Care benefit and they estimated the net present value of this obligation at

\$2,420,000. Further, they recommended the City set aside \$151,500 each year until 2027 in order to fully fund the obligation.

- When the 2009 Budget was initially adopted in December 2008 it was done so with the intention of transferring \$151,500 from the General Fund to this LEOFF 1 LTC Fund. As calendar year 2009 progressed however it became apparent the economic downturn faced by much of the United States over the past few years had finally reached Wenatchee and we were forced to reduce the transfer to just \$101,500. The 2010 transfer has again been budgeted at \$101,500. We are hopeful that as the economy improves we will in subsequent years be able to catch-up on with the schedule suggested by the actuary.

Annual contributions towards this fund are as follows:

Year	General Fund	Self Insurance Fund Reserves	Total
2000	250,000	0	250,000
2001	96,000	0	96,000
2002	96,000	0	96,000
2003	100,000	0	100,000
2004	100,000	0	100,000
2005	105,000	205,951	310,951
2006	0	0	0
2007	120,000	0	120,000
2008	135,000	0	135,000
2009	101,500	0	101,500
2010	101,500	0	101,500
	<u>1,205,000</u>	<u>205,951</u>	<u>1,410,951</u>

On June 19, 2000, the City of Wenatchee Disability Board adopted a Long-Term Care policy in order to provide coverage for members eligible for this benefit. This policy requires that after the initial Board approval of the request for long-term nursing assistance, the maximum monthly benefit will be based on the average cost of three (3) nursing care facilities within the Greater Wenatchee Area. This cost is based on 24-hour care in a semi-private room. The Disability Board will determine the three nursing facilities to be used in this computation and will notify all eligible LEOFF members each year of the maximum monthly benefit. The maximum benefit in 2010 is \$6,600 per month (or \$79,200 per year) for in-facility care, and \$4,000 per month (\$48,000 per year) for in-home care.

**Expenditure Summary**

Fund Number							
LEOFF 1 - LONG-TERM CARE		110					
	2006	2007	2008	2009	2010	Variance 2010 vs. 2009 Budget	
	Actual	Actual	Actual	Budget	Budget	Amount	Percent
<b><u>Revenues</u></b>							
Miscellaneous	27,522	24,432	14,581	12,700	6,000	(6,700)	-52.76%
Total Revenues	27,522	24,432	14,581	12,700	6,000	(6,700)	-52.76%
<b><u>Expenditure by Object</u></b>							
LTC Benefits	157,830	119,022	98,114	149,000	125,000	(24,000)	-16.11%
Total Expenditures	157,830	119,022	98,114	149,000	125,000	(24,000)	-16.11%
<b><u>Other Financing Sources (Uses)</u></b>							
Transfers In	0	120,000	135,000	101,500	101,500	0	0.00%
Transfers Out	0	0	0	0	0	0	N/A
Total Other Sources (Uses)	0	120,000	135,000	101,500	101,500	0	0.00%
<b>Net Increase (Decrease) in</b>							
Fund Balance	(130,308)	25,410	51,468	(34,800)	(17,500)	17,300	-49.71%
Beginning Fund Balance	590,609	460,301	485,711	537,179	502,379	(34,800)	-6.48%
Ending Fund Balance	460,301	485,711	537,179	502,379	484,879	(17,500)	-3.48%

**Street Overlay Fund**  
**Public Works Department**  
**Total 2010 Appropriations \$242,920**  
**0 FTE**

**Description**

The Street Overlay Fund is a special revenue fund set-up to account for the City's ongoing street overlay program. Source of financing for this fund's activities is the second ¼ of one percent real estate excise tax that is paid by the seller of a piece of real estate (the first ¼ of one percent REET is a revenue source in the City's Real Estate Excise Tax capital projects fund found in Part 10 of this document). We estimate this tax source will generate \$245,900 2010.

The street overlay program was developed by the City Public Works Department in 1996 and provided for the overlay of all City streets over a 15-year repeating cycle. At that time the estimated cost of the overlay program was over \$8,000,000 over the life of the cycle with about \$4,000,000 considered in immediate need of overlay.

During 1998 the City issued \$4,085,000 in LTGO/councilmanic bonds whose proceeds are to be used to both reduce a portion of the backlog of streets considered in immediate need of overlay, and finance other street improvements as deemed necessary by the City. Debt service on these bonds is paid with a combination of property tax and 2<sup>nd</sup> ¼% real estate excise tax revenues (see the Debt Service Funds section of this budget document for further explanation). The 2<sup>nd</sup> ¼% real estate tax was approved by the City Commission on April 20, 1999 via City ordinance #99-10 and the proceeds of the tax are to be used solely for the City's street overlay program.

In 2005, the City Public Works Department performed an evaluation of the existing program with the goals of evaluating pavement performance, determining future pavement overlay cycles, evaluating alternative maintenance practices, and arriving at an updated cost for the most efficient pavement preservation program. The results of this study recommended life cycles based on the use and type of street. The program also recommended crack sealing and intersection repairs as maintenance tools that extend the life cycle of overlays. Future overlays result in much higher costs due to the need from grinding existing asphalt; therefore, extending overlay life cycles have a significant impact on future costs.

The 2005 overlay evaluation mapped out costs versus time in order to project the annualized cost to the City. (Recurring revenue needed to build reserves in order to fund future overlay needs). The study recommended funding \$1,500,000 per year with a portion of the fund going into reserves. This year's budget of \$350,000 is from the 2<sup>nd</sup> ¼% of the real estate excise tax. It is anticipated that additional bond issues will be necessary approaching the year 2014 based on real estate excise tax revenue projects.

2008 Accomplishments include: Performing a grind and pave project on Ferry and Russell Streets as well as rebuilding Gossman Lane. This year's project also provided overlay of Springwater Street recently annexed into the City.

The 2009 Budget was initially adopted to focus on additional crack sealing and small overlays but was amended in July 2009 to add transfers out to other City funds of as much as \$135,000 to provide financing for three capital projects that can legally utilize the 2<sup>nd</sup> ¼% REET. Those projects are as follow:

1. Up to \$10,000 will be transferred to the General Fund to cover the cost of installing a fence surrounding the City pool.
2. Up to \$45,000 will be transferred to the Water/Sewer enterprise fund to cover the cost of Locomotive Park irrigation improvements.



3. Up to \$80,000 will be transferred to the Orondo Boat Moorage capital projects fund to partially finance the construction of a day use moorage facility.

Because real estate excise tax revenues have declined so markedly as a result of the economic downturn they will not be sufficient enough to cover the cost of annual debt service payments for the 1998 and 2007 LTGO bonds that have historically been paid with the 1<sup>st</sup> ¼ of 1% REET. Consequently we anticipate transferring a portion of the 2<sup>nd</sup> ¼% REET from the Street Overlay Fund to the Real Estate Excise Tax capital projects fund (see page 10-1 of this report for a related discussion) to make up the difference. We anticipate this transfer will be \$5,860 in 2009 and \$152,920 in 2010.

### Expenditure Summary

Fund Number							
Street Overlay	111						
	2006	2007	2008	2009	2010	Variance 2010	
	Actual	Actual	Actual	Budget	Budget	Amount	Percent
<b><u>Revenues</u></b>							
Taxes	573,247	522,367	450,498	241,100	245,900	4,800	1.99%
Intergovernmental Revenue	0	0	0	0	0	0	N/A
Bond Proceeds	0	0	0	0	0	0	N/A
Miscellaneous	35,550	38,465	23,367	6,000	5,000	(1,000)	-16.67%
Total Revenues	608,797	560,832	473,865	247,100	250,900	3,800	1.54%
<b><u>Expenditure by Object</u></b>							
Transportation	0	0	0	0	0	0	N/A
Capital Outlay	655,339	59,455	813,585	200,000	90,000	(110,000)	-55.00%
Debt Issue Costs	0	0	0	0	0	0	N/A
Total Expenditures	655,339	59,455	813,585	200,000	90,000	(110,000)	-55.00%
<b><u>Other Financing Sources (Uses)</u></b>							
Claim for Street Utility Refund	0	0	0	0	0	0	N/A
Transfers In	0	0	0	0	0	0	N/A
Transfers Out	0	(150,000)	0	(140,860)	(152,920)	0	N/A
Total Other Sources (Uses)	0	(150,000)	0	(140,860)	(152,920)	0	N/A
<b>Net Increase (Decrease) in</b>							
Fund Balance	(46,542)	351,377	(339,719)	(93,760)	7,980	101,740	-108.51%
Beginning Fund Balance	640,204	593,662	945,039	605,320	511,560	(93,760)	-15.49%
Ending Fund Balance	593,662	945,039	605,320	511,560	519,540	7,980	1.56%

**Low Income Housing Fund  
Community Development Department  
Total 2010 Appropriations \$87,900  
0 FTE**

**Description**

The Low Income Housing Fund 113 receives revenue from SHB 2060, which established a \$10 surcharge on all documents recorded at a county auditor's office. Through mid-2007 the fund also received revenue from a \$750,000 State Community Development Block Grant (CDBG) awarded in 2003; the Grant ended in June, 2007.

**SHB 2060 Recording Fee**

The \$10 recording surcharge fee, created by the Washington State Legislature in 2002 (SHB 2060), is dedicated to funding housing programs for the extremely low and very low-income persons. The fee is assessed by the Chelan County Auditor on all document recordings. Of that amount, \$5.70 is retained by the County for local housing needs, \$3.80 is remitted to the State, and \$.50 is retained by the County to cover administrative expenses. Of the \$5.70 retained by the County, 47% (or approximately \$2.68) is remitted to the City of Wenatchee based upon a population formula for each urban growth area in the County. In 2009, this income source is anticipated to generate approximately \$50,000.

Expenditures of the funds are limited to:

- Acquisition, construction, or rehabilitation of housing projects or units within housing projects that are affordable to very low-income persons with incomes at or below fifty percent of the area median income;
- Supporting building operation and maintenance costs of housing projects or units within housing projects built with housing trust funds, that are affordable to very low-income persons, and that require a supplement to rent income to cover ongoing operating expenses;
- Rental assistance vouchers for housing projects or units within housing projects that are affordable to very low-income persons, to be administered by a local public housing authority or other local organization that has an existing rental assistance voucher program, consistent with HUD's section 8 rental assistance voucher program standards; and
- Operating costs for emergency shelters and licensed overnight youth shelters.

The City of Wenatchee and 9<sup>th</sup> St Alternatives Group received \$45,000 in 2007 to provide relocation assistance to tenants displaced from the Ninth Street trailer park closure. The project was completed in 2008, and through the Community Action Council, provided rental assistance to 18 households with the low-income housing funds.

The following projects were awarded funding for 2008 and will be on-going in 2009:

- Habitat for Humanity - \$100,000 to purchase land &/or materials for a new home.
- Chelan-Douglas Community Action Council - \$15,000 for pre-development costs associated with developing new low-income housing.
- Hospitality House - \$37,000 to pay for Haven of Hope mortgage and utilities.

Two 2009 grants have been awarded:

- YWCA - \$55,000 to purchase and rehabilitate a new transitional housing facility.
- Housing Authority - \$3,000 for rental assistance in accordance with the existing Section 8 Rental Assistance Voucher Program

**Washington State Community Development Block Grant (CDBG)**

The City obtained a Community Development Block Grant (CDBG) from the State of Washington totaling \$750,000 that has been used for three purposes, including:

1. rehabilitation of homes in south Wenatchee for owner-occupied housing,
2. construction of a sidewalk on Peachey Street,
3. alley paving and street lighting in south Wenatchee to help clean up the neighborhood and improve safety.

The City completed the rehabilitation of nineteen homes total through the State CDBG program.

In 2006, the City completed construction of Phase I of the Peachey Street sidewalk improvement project as well as some alley paving in south Wenatchee and street lighting in the area of the new Wenatchee Community Center.

The \$750,000 CDBG grant through the State ended, closing out in June of 2007.

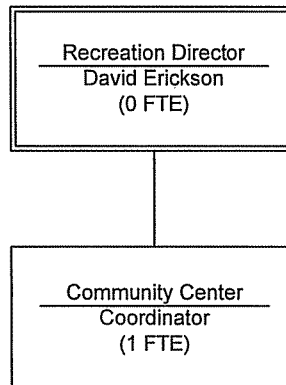
### Expenditure Summary

Fund Number							
Housing Rehabilitation		113					
	2006	2007	2008	2009	2010	Variance 2010 vs. 2009 Budget	
	Actual	Actual	Actual	Budget	Budget	Amount	Percent
<b>Revenues</b>							
Chelan County	57,301	54,692	45,259	50,000	50,000	0	0.00%
CDBG	348,979	156,127	0	0	0	0	#DIV/0!
Other Grants	40,000	8,984	0	0	0	0	#DIV/0!
Miscellaneous	15,314	27,790	4,069	1,500	1,000	(500)	-33.33%
Total Revenues	461,594	247,593	49,328	51,500	51,000	(500)	-0.97%
<b>Expenditure by Object</b>							
Housing Acquisition	0	50,000	0	14,304	0	(14,304)	-100.00%
CDBG Housing Rehab	358,329	224,368	0	0	0	0	#DIV/0!
Grant Programs	40,090	38	125,729	28,600	87,900	59,300	207.34%
Total Expenditures	398,419	274,406	125,729	42,904	87,900	44,996	104.88%
<b>Other Financing Sources (Uses)</b>							
Transfers In	0	0	0	0	0	0	#DIV/0!
Transfers Out	0	0	0	0	0	0	#DIV/0!
Total Other Sources (Uses)	0	0	0	0	0	0	#DIV/0!
<b>Net Increase (Decrease) in</b>							
Fund Balance	63,175	(26,813)	(76,401)	8,596	(36,900)	(45,496)	-529.27%
Beginning Fund Balance	129,738	192,913	166,100	89,699	98,295	8,596	9.58%
Ending Fund Balance	192,913	166,100	89,699	98,295	61,395	(36,900)	-37.54%

### Personnel Summary

Position	2006 Actual	2007 Actual	2008 Actual	2009 Budget	2010 Budget
Community Center Coordinator	0	0.27	0	0	0
<b>Total Personnel</b>	0	0.27	0	0	0

**Community Center Operations Fund**  
**Recreation Department**  
**Total 2010 Appropriations \$148,044**  
**1 FTE**

**Description**

The Community Center Operations Fund is a special revenue fund used for the operation of the Wenatchee Community Center. The Wenatchee Community Center was established in 2006. Its vision is to unite the greater community by embracing cultures, families and individuals through assistance and support. The mission of the Center is to provide an inclusive multicultural facility for all members of the community through: Promoting and supporting a safe environment for social, recreational and educational participation; Advocating for personal economic development; Encouraging cultural identities within the community; Providing access to social service agencies, the faith community and intergenerational activities; and uniting people by encouraging a spirit of well-being and harmony.

The Community Center is striving to provide opportunities to bring the community together and realize this vision. Over 50,000 people visited the Community Center in 2009. The Center hosts a variety of human service activities ranging from the veterans support services, parent education, ESL classes, and literacy and job training programs.

The majority of revenues for the Community Center fund are derived through long term leases and one time facility rentals. The revenues from one time rentals have fluctuated from previous years due in part local unemployment and reductions in individuals discretionary spending. The expenditures include those items required to operate and maintain the facility.

**2009 Accomplishments**

- Constructed a Community Garden through the receipt of a Neighborhood Matching Grant, Community Foundation of North Central Washington Grant and donations of services and materials.
- Entered into a Memorandum of Understanding with Chelan Douglas Community Action, Wenatchee Valley College and the Community Center Development Association Board to begin a Community Outreach Project.
- Installed Wifi throughout the Center.
- Received an AWC Loss Control Grant for the purchase and installation of a security camera system.

**2010 Goals**

- Increase the use and cost recovery of the facility through community outreach, programmed activities, rentals, and investigation of cost efficiencies.

- Review operational policies and procedures for efficiencies.
- Operate and maintain the facility as a safe, aesthetically pleasing and high quality asset to the community.

### Expenditure Summary

Fund Number	
Community Center Operations	114

	2006 Actual	2007 Actual	2008 Actual	2009 Budget	2010 Budget	Variance 2010 vs. 2009 Budget	
						Amount	Percent
<u>Revenues</u>							
One-Time Rentals	8,158	37,920	55,471	38,000	35,892	(2,108)	N/A
Leases	29,433	38,881	43,583	52,100	44,564	(7,536)	N/A
Miscellaneous	12,061	13,508	9,130	6,900	2,500	(4,400)	N/A
Total Revenues	49,652	90,309	108,184	97,000	82,956	(14,044)	N/A
<u>Expenditure by Object</u>							
Housing and Community Development	60,831	120,900	144,427	151,499	148,044	(3,455)	N/A
Miscellaneous	0	0	0	0	0	0	N/A
Total Expenditures	60,831	120,900	144,427	151,499	148,044	(3,455)	N/A
<u>Other Financing Sources (Uses)</u>							
Transfers In	69,175	8,702	20,813	20,000	25,000	5,000	N/A
Transfers Out	(83,472)	0	0	(1,300)	0	1,300	N/A
Insurance Recoveries	0	0	0	0	0	0	N/A
Total Other Sources (Uses)	(14,297)	8,702	20,813	18,700	25,000	6,300	N/A
Net Increase (Decrease) in							
Fund Balance	(25,476)	(21,889)	(15,430)	(35,799)	(40,088)	(4,289)	N/A
Beginning Fund Balance	272,494	247,018	225,129	209,699	173,900	(35,799)	N/A
Ending Fund Balance	247,018	225,129	209,699	173,900	133,812	(40,088)	-23.05%

### Personnel Summary

	2006 Actual	2007 Actual	2008 Actual	2009 Budget	2010 Budget
Position					
Community Center Coordinator	0.46	0.5	0.95	1	1
Total Personnel	0.46	0.5	0.95	1	1

**CDBG Entitlement Fund  
Community Development Department  
Total 2010 Appropriations \$0  
0 FTE**

**Description**

Wenatchee is a federal HUD "Entitlement" community, receiving a direct allocation of Community Development Block Grant funds from the U.S. Department of Housing and Urban Development (HUD), rather than competing for the funds through the State of Washington. The city's first 5-year Consolidated Plan was completed in 2005 and serves as the basis for annual plans.

Projects that were performed in 2008 include:

- Women's Resource Center: Capital Needs Assessment of Bruce Housing.
- Wenatchee Downtown Association: CBD Housing Assessment.
- Columbia Valley Housing Association: Homeownership Opportunities project – Community Land Trust model.
- City of Wenatchee: City Affordable Housing Needs Assessment & Report.
- City of Wenatchee: Housing Rehabilitation Program.
- City of Wenatchee: Public Facilities & Improvements in south Wenatchee.

Awarded projects continued into 2009 include:

- Women's Resource Center: Bruce Hotel Safety Renovations.
- Columbia Valley Housing Association: Homeownership Opportunities project – Community Land Trust model.
- City of Wenatchee (or subrecipient): Fair Housing Activities.

Projects identified in the 2009 Annual Action Plan include:

- Continuation of the City's Housing Rehabilitation Program.
- Continuation of the City's sidewalk improvements in south Wenatchee.
- Pennsylvania Park renovation and playground equipment replacement.
- Development of 2010-2014 Wenatchee Consolidated Plan.

No 2010 projects will be undertaken without a signed contract between HUD and the City. Any appropriations in 2010 will be approved at a project level (as opposed to the more typical annual appropriation) by the City Council at the recommendation of Community Development staff.

**Expenditure Summary**

Fund Number	
CDBG Entitlement	115

	2006 Actual	2007 Actual	2008 Actual	2009 Budget	2010 Budget	Variance 2010 vs. 2009 Budget	
						Amount	Percent
<b><u>Revenues</u></b>							
CDBG	104,287	114,427	492,984	76,891	0	(76,891)	-100.00%
DOT Grant	0	0	0	0	0	0	#DIV/0!
Miscellaneous	0	48,225	498	0	0	0	#DIV/0!
Total Revenues	104,287	162,652	493,482	76,891	0	(76,891)	-100.00%
<b><u>Expenditure by Object</u></b>							
Operating	13,725	70,469	349,580	0	0	0	#DIV/0!
Capital	0	45,085	201,486	76,891	0	(76,891)	-100.00%
Total Expenditures	13,725	115,554	551,065	76,891	0	(76,891)	-100.00%
<b><u>Other Financing Sources (Uses)</u></b>							
Transfers In	0	0	0	0	0	0	#DIV/0!
Transfers Out	(325,021)	(9,111)	0	0	0	0	#DIV/0!
Total Other Sources (Uses)	(325,021)	(9,111)	0	0	0	0	#DIV/0!
<b>Net Increase (Decrease) in</b>							
Fund Balance	(234,459)	37,987	(57,583)	0	0	0	#DIV/0!
Beginning Fund Balance	246,570	12,111	50,098	(7,485)	(7,485)	0	0.00%
Ending Fund Balance	12,111	50,098	(7,485)	(7,485)	(7,485)	0	0.00%

**Personnel Summary**

Position	2006 Actual	2007 Actual	2008 Actual	2009 Budget	2010 Budget
Community Center Coordinator	0.27	0.23	0.05	0	0
<b>Total Personnel</b>	0.27	0.23	0.05	0	0

**LEOFF 1 – Health Care Fund**  
**Total 2010 Appropriations \$530,000**  
**0 FTE**

**Description**

RCWs 41.16 and 41.18 require cities in the State of Washington to pay for most health care costs incurred by pre-LEOFF and LEOFF 1 employees and retirees *for as long as they live* (LEOFF is an acronym for law enforcement officers and firefighters. Pre-LEOFF refers to those employees hired prior to March 1, 1970, while LEOFF 1 refers to those employees hired between March 1, 1970 and September 30, 1977). As of December 31, 2009, the City had 41 individuals (combined active and retired) that are eligible for this benefit:

	Active	Retired	Total	Medicare Eligible
Fire	1	20	21	12
Police	0	20	20	10
	1	40	41	22

At the time the Washington State Legislature added this feature to the benefit package of eligible employees and retirees, they failed to follow through with a source of funding with which cities, counties, or fire districts could cover the added costs of operations. As a result of this unfunded mandate the City has investigated how to responsibly provide this benefit to eligible individuals in the most cost effective manner possible. Ultimately we arrived at a solution that provides total coverage through three separate programs, each of which is financed by the City of Wenatchee.

1. The City pays the Part B premium for those 22 individuals that are Medicare eligible, which results in Medicare being the primary payer for related medical claims. We anticipate the total premium cost in 2010 will be \$28,300.
2. The City pays for medical insurance coverage for all 41 individuals through the Association of Washington Cities Employee Benefits Trust (AWC), which is a fully insured indemnity plan that offers specific coverage for particular maladies. If the individual is Medicare eligible, the AWC coverage is considered the secondary payer, if they are not Medicare eligible, AWC is considered primary. We anticipate the total premium cost in 2010 will be \$480,300.
3. Finally, the City is self-insured for those medical claims that are not covered by either Medicare or AWC. We anticipate our total out-of-pocket expenses in 2010 will be \$21,400.

In 2008 the City contracted with Milliman Inc. to conduct an actuarial study of the LEOFF 1 Health Care benefit and they estimated the net present value of this obligation at \$9,726,000. Further, they recommended the City set aside \$730,571 each year until 2027 in order to fully fund the obligation. This recommendation however assumed the City would not purchase medical insurance for any retirees but instead pay out-of-pocket for each and every dollar of health care costs incurred. We believe continuing to pay for health insurance coverage each year as we have been doing will in fact satisfy our legal and funding obligation to provide this benefit.

The City created this special revenue fund in 2005 as a means of setting money aside to finance current and future claims, and to provide an accounting for the medical claims costs incurred. The typical source of funding for this program will be an annual operating transfer from the General Fund. During 2005 however, the City closed-out the medical portion of its Self-Insurance Fund (see Part 12 of this document for a more in-depth discussion) and transferred excess reserves of \$156,418 to this Fund.



Annual contributions to this fund are as follows:

Year	General Fund	Self Insurance Fund Reserves	Total
2005	0	156,418	156,418
2006	542,500	0	542,500
2007	580,000	0	580,000
2008	580,000	0	580,000
2009	530,000	0	530,000
2010	530,000	0	530,000
	<u>2,762,500</u>	<u>156,418</u>	<u>2,918,918</u>

### Expenditure Summary

#### Fund Number

LEOFF 1 - Health Insurance

116

	2006 Actual	2007 Actual	2008 Actual	2009 Budget	2010 Budget	Variance 2010 vs. 2009 Budget	
						Amount	Percent
<b><u>Revenues</u></b>							
Miscellaneous	10,485	16,142	12,898	11,500	6,000	(5,500)	-47.83%
Total Revenues	10,485	16,142	12,898	11,500	6,000	(5,500)	-47.83%
<b><u>Expenditure by Object</u></b>							
AWC Insurance Premiums	406,521	364,269	380,610	419,000	480,300	61,300	14.63%
Medicare Part B Premiums	26,521	28,213	26,074	26,800	8,300	1,500	5.60%
City Out-of-Pocket Expenses	47,151	60,243	48,336	134,200	21,400	(112,800)	-84.05%
Miscellaneous Expense	100	0	5,525	0	0	0	#DIV/0!
Total Expenditures	480,293	452,725	460,545	580,000	530,000	(50,000)	-8.62%
<b><u>Other Financing Sources (Uses)</u></b>							
Transfers In - General Fund	542,499	580,000	580,000	530,000	530,000	0	0.00%
Transfers In - Self-Ins. Fund	0	0	0	0	0	0	#DIV/0!
Operating Transfer Out	0	0	0	0	0	0	N/A
Total Other Sources (Uses)	542,499	580,000	580,000	530,000	530,000	0	0.00%
<b>Net Increase (Decrease) in</b>							
Fund Balance	72,691	143,417	132,353	(38,500)	6,000	44,500	-115.58%
Beginning Fund Balance	156,740	229,431	372,848	505,201	466,701	(38,500)	-7.62%
Ending Fund Balance	229,431	372,848	505,201	466,701	472,701	6,000	1.29%

**Homeless Housing Fund**  
**Community Development Department**  
**Total 2010 Appropriations \$553,052**  
**0 FTE**

**Description**

In 2006, an Interlocal Cooperation Agreement between Chelan and Douglas Counties and the Cities of East Wenatchee and Wenatchee was created for the purpose of Administering and Distributing "Homelessness Funds" created by HB 2163 in accordance with the Joint Homelessness Plan.

Washington State legislature passed Engrossed Second Substitute House Bill 2163 on April 7, 2005. ESSB 2163 directed local government entities to prepare and enact a ten-year homeless housing strategic plan with a minimum goal of reducing homelessness by fifty percent by July 1, 2015 and authorized the collection of an additional ten-dollar surcharge under RCW 36.22.178 on documents recorded in County Auditor offices. ESSB 2163 specifies that 60% of the ten dollar surcharge monies shall be applied to the completion of tasks and attainment of the goals and objectives of the ten-year homeless housing strategic plan and held in a separate fund for that purpose, with 6% of that fund applied to administrative costs associated with the plan

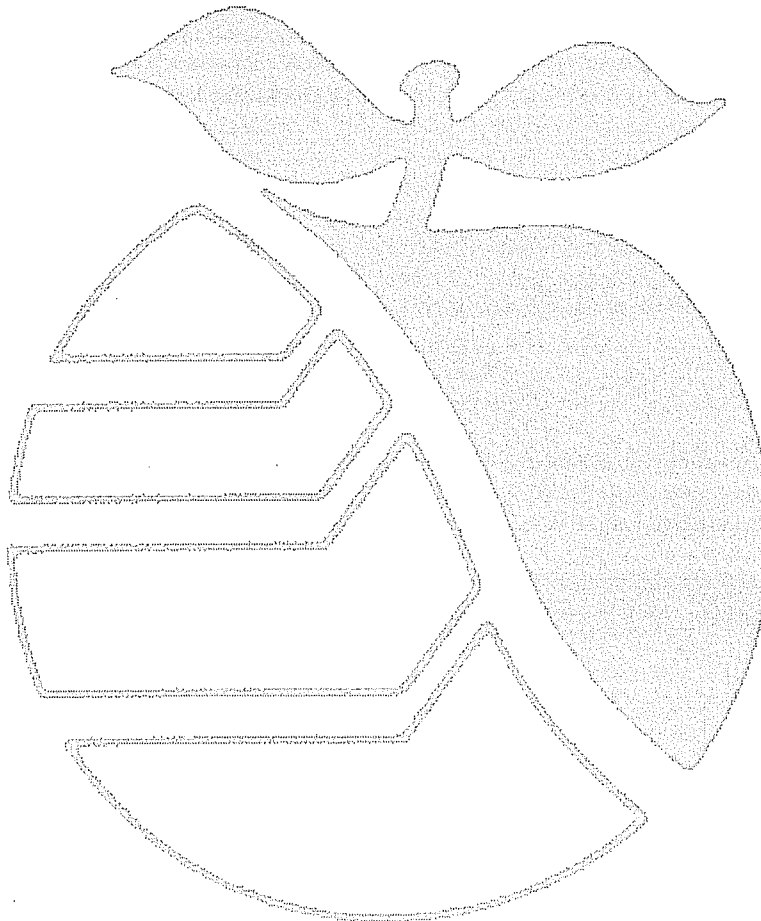
The parties to the interlocal agreement engaged in a joint collaborative public process with a Local Homeless Housing Task Force to complete the "Ten-Year Plan to Reduce Homelessness in Chelan and Douglas Counties" in December 2005 and the referenced ten dollar surcharge is being collected in the Chelan and Douglas County Auditor's offices and held by the Treasurers' of the two counties; balances are transferred to the City of Wenatchee biannually. Additionally, the Homeless Housing Task Force updated the "Plan to End Homeless in Chelan and Douglas Counties" in January 2007.

The agreement identifies the City of Wenatchee as the lead entity for the expenditure of ESSB 2163 – Homelessness Plan Funds in accordance with the "Ten-Year Plan to Reduce Homelessness in Chelan and Douglas Counties". Chelan and Douglas Counties have transferred their rights to retain six percent (6%) of ESSB 2163 – Homelessness Funds for administrative costs to the City of Wenatchee.

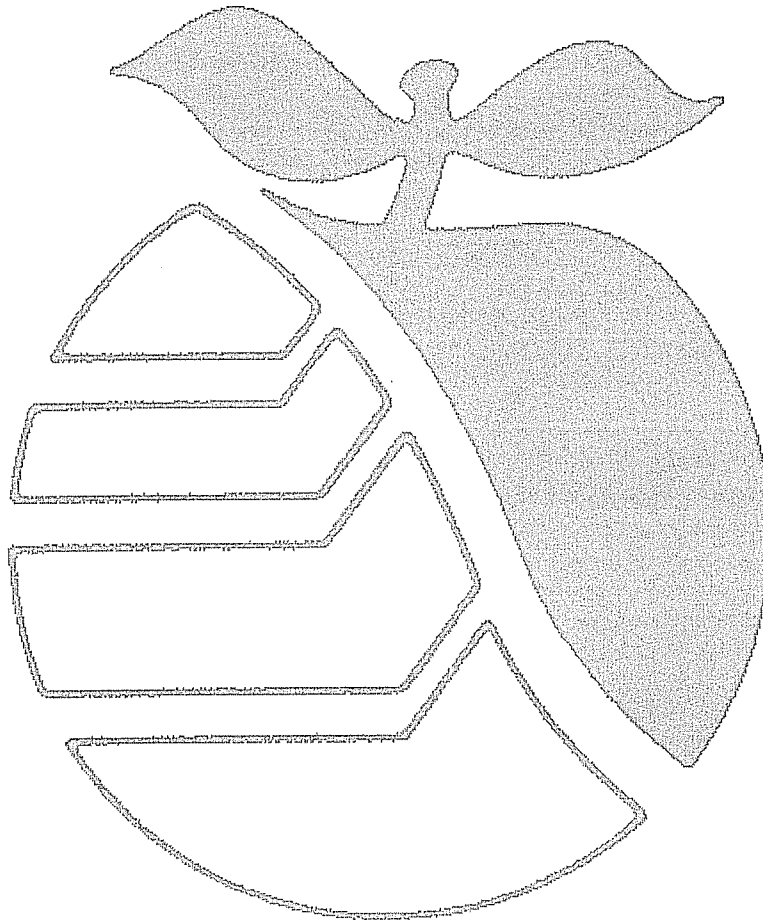
**Expenditure Summary**

Fund Number							
Homeless Housing Fund		117					
	2006	2007	2008	2009	2010	Variance 2010	
	Actual	Actual	Actual	Budget	Budget	vs. 2009 Budget	
						Amount	Percent
<b>Revenues</b>							
Homeless Housing - Chelan County	150,764	181,546	220,821	260,000	300,000	40,000	15.38%
Homeless Housing - Douglas County	67,798	91,249	105,564	120,000	150,000	30,000	25.00%
Miscellaneous	809	33,419	51,887	93,562	4,500	(89,062)	N/A
Total Revenues	219,371	306,214	378,272	473,562	454,500	(19,062)	-4.03%
<b>Expenditure by Object</b>							
Operating	15,007	141,084	306,542	267,270	526,052	258,782	96.82%
Capital	0	0	0	0	0	0	#DIV/0!
Total Expenditures	15,007	141,084	306,542	267,270	526,052	258,782	96.82%
<b>Other Financing Sources (Uses)</b>							
Transfers In	0	0	0	0	0	0	N/A
Transfers Out	(14,394)	(16,368)	(19,583)	(22,800)	(27,000)	0	N/A
Total Other Sources (Uses)	(14,394)	(16,368)	(19,583)	(22,800)	(27,000)	0	N/A
<b>Net Increase (Decrease) in</b>							
Fund Balance	189,970	148,762	52,147	183,492	(98,552)	(282,044)	N/A
Beginning Fund Balance	0	189,970	338,732	390,879	574,371	183,492	46.94%
Ending Fund Balance	189,970	338,732	390,879	574,371	475,819	(98,552)	-17.16%

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## Part 9. Debt Service Funds



**UTGO Bonds-Police Station Construction****Finance Department****Total 2010 Appropriations \$367,778****FTE 0****Description**

This fund is used to account for the accumulation of resources for, and the payment of all taxpayer approved debt issues of the City. Debt that will be serviced from this fund includes bonds that were issued by the City in 2001. These are unlimited tax general obligation (UTGO) bonds, and as such the full faith, credit and resources of the City have been irrevocably pledged for their prompt payment. For as long as the Bonds are outstanding, the City irrevocably pledges to levy taxes annually without limitation as to rate or amount on all taxable property within the City in an amount sufficient, together with other money legally available and to be used therefore, to pay the principal of and interest on the Bonds when due.

**Summary**

Unlimited tax general obligation (UTGO) bonds were issued December 1, 2001, in the amount of \$4,800,000 to finance the acquisition, design, construction and equipping of a new police station. The City's authority to issue the bonds was provided by the citizens of Wenatchee on September 18, 2001, when a proposition to issue the bonds was approved by a voter turnout of 7,726 (representing 57.4% of the voter turnout at the preceding general election), with 67.93% (5,248) of the voters voting for the Bonds and 32.07% (2,478) of the voters voting against the Bonds. These are twenty-year bonds requiring annual payments of principal and interest, and are due to be paid-off in 2021.

**Expenditure Summary**

		Fund Number					
UTGO Bonds - Police Station Const.		201					
	2006 Actual	2007 Actual	2008 Actual	2009 Budget	2010 Budget	Variance 2010 vs. 2009 Budget	
						Amount	Percent
<b>Revenues</b>							
Property Taxes	366,980	365,619	359,297	365,653	367,778	2,125	0.58%
Interest Income	0	0	1,713	2,600	0	(2,600)	N/A
Total Revenues	366,980	365,619	361,010	368,253	367,778	(475)	-0.13%
<b>Expenditure by Object</b>							
Debt Service Payments	367,419	365,465	363,456	365,653	367,778	2,125	0.58%
Transfers Out	0	0	0	0	0	0	#DIV/0!
Total Expenditures	367,419	365,465	363,456	365,653	367,778	2,125	0.58%
Net Increase (Decrease) in							
Fund Balance	(439)	154	(2,446)	2,600	0	(2,600)	N/A
Beginning Fund Balance	(14,208)	(14,647)	(14,493)	(16,939)	(14,339)	2,600	-15.35%
Ending Fund Balance	(14,647)	(14,493)	(16,939)	(14,339)	(14,339)	0	0.00%

**LTGO Bonds**  
**Finance Department**  
**Total 2010 Appropriations \$1,016,442**  
**0 FTE**

**Description**

This fund is used to account for the accumulation of resources for, and the payment of all nonvoted debt issues of the City. Debt that will be serviced from this fund includes councilmanic bonds that were issued by the City in 1998 and 2007 and bond anticipation notes issued in 2008 and 2009. The term "councilmanic" means bonds issued at the discretion of the City Council and not requiring a vote of the populace. These are limited tax general obligation (LTGO) bonds and as such, the full faith, credit and resources of the City have been irrevocably pledged for the timely payment of principal and interest, within the constitutional and statutory limitations pertaining to non-voted general obligations. This type of bond differs from the UTGO bond discussed on the previous page in that the City cannot pledge to levy taxes without limitation as to rate or amount on all taxable property within the City. Instead, the City repays these bonds with currently available resources.

**Summary**

During 1998, the City Commission voted to issue \$4,085,000 in LTGO/councilmanic bonds. The proceeds of this issue were used to finance street overlay projects in 1998, 1999 and 2000 (see Part 9 of this budget document – "Street Overlay Fund" for a detailed explanation of the street overlay program). These are sixteen-year bonds and will be paid-off in 2014. The 2010 payment reflects principal of \$290,000 and interest of \$79,066 for a total payment of \$369,066. The source of funding for the payment is:

- A dedication of ½ of the 6% property tax increase taken in 1998 equal to \$96,253.
- A dedication of ¾ of the 4% property tax increase taken in 1999 equal to \$105,513.
- A portion of the first ¼% Real Estate Excise Tax for the balance of the payment, which in 2010 is \$167,300.

During 2007, the City Council voted to issue \$4,045,000 in LTGO bonds, the proceeds of which were used as follows:

- \$3,166,022 that was used to in-part finance the construction of a \$15 million public works facility that was completed in the fall of 2008. These are 20-year bonds and are due to be paid-off in annual installments running through 2027. Annual debt service payments of approximately \$236,000 will be funded with a portion of the 1<sup>st</sup> ¼ of 1% real estate excise tax.
- \$167,867 that was used to finance improvements at City Hall including \$61,042 for the HVAC system, and \$101,825 in Council Chamber renovations. These are 15-year bonds and are due to be paid-off in annual installments running through 2022. Annual debt service payments of approximately \$15,200 per year will be funded through the General Fund.
- \$711,111 that was used to finance a variety of technology related improvements at the Convention Center. These are 15-year bonds and are due to be paid-off in annual installments running through 2022. Annual debt service payments of approximately \$64,100 per year will be funded through money generated by Convention Center operations and a share of the Chelan County hotel/motel tax that is generated by hotels/motels located in the unincorporated areas of the County.

During 2007, the City Council voted to issue \$2,560,000 in LTGO/councilmanic bonds to refinance similar bonds that were originally issued in 1997 to finance improvements at the Convention Center. By refinancing the bonds at a lower interest rate the City will save \$274,466 in future debt service payments for a net present value savings of \$214,274. These are 14-year bonds and are due to be paid-off in annual installments running through 2021. Annual debt

service payments of approximately \$244,400 per year will be funded through money generated by Convention Center operations.

On November 20, 2008 the City Council approved Ordinance #2008-33 which authorized the issuance of up to \$3,100,000 in LTGO bond anticipation notes (BANs) from the Cashmere Valley Bank. Proceeds of the BAN were used to complete the Public Service Center located on McKittrick Street. Terms of the BAN are that interest will be computed at an annual rate of 75% of the prime rate and that the City will make interest only payments semi-annually for a period of up to 3-years. For 2010 we estimated and appropriated \$94,400 for this interest payment. The City may prepay the BAN in whole or in part at any time with a 15-day notice to the Cashmere Valley Bank with no prepayment fee. It is the City's intention to repay the loan with the proceeds from the future sale of two parcels of land.

On March 5, 2009 the City Council approved Ordinance #2009-09 which authorized the issuance of up to \$3,000,000 in LTGO bond anticipation notes (BANs) from the Cashmere Valley Bank. Proceeds of the BAN are being used to complete local improvement district (LID) portion of the Riverside Drive capital improvement project. Terms of the BAN are that it will be outstanding for a period of up to two years and that interest will be computed at an annual rate of 85% of the prime rate with semi-annual interest charges that are added to the BAN balance rather than paid for outright by the City. The City may prepay the BAN in whole or in part at any time with a 15-day notice to the Cashmere Valley Bank with no prepayment fee. The City intends to repay the BAN with the proceeds of the issuance of LID Bonds. If the City is unable to find an underwriter or bank to purchase the LID bonds, the City will purchase the bonds as an investment of the City's Water/Sewer Fund.

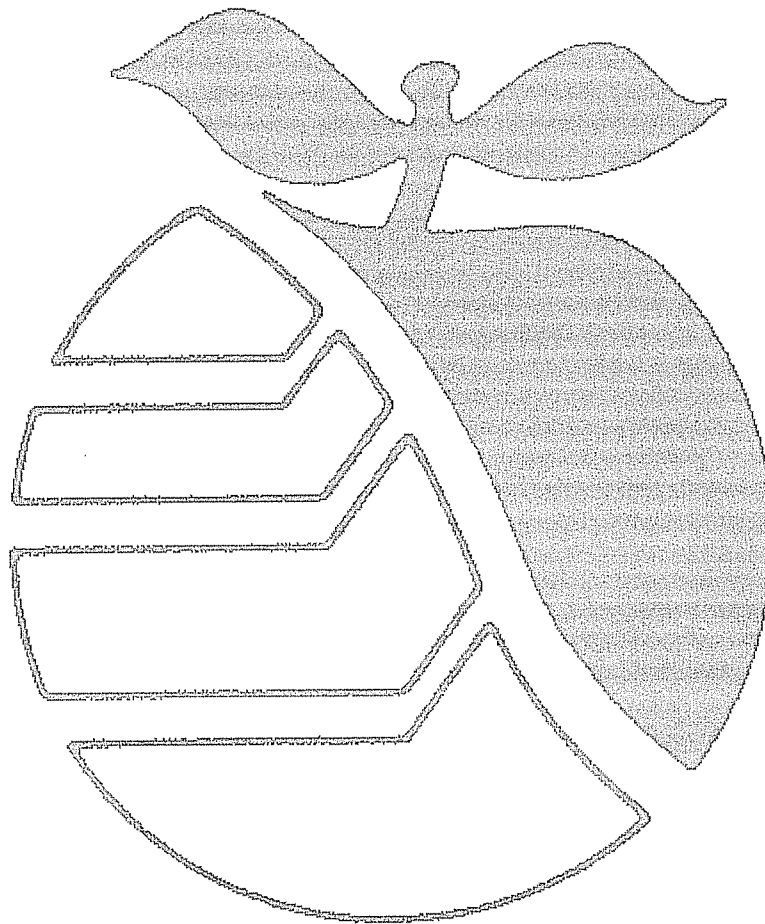
The Councilmanic Bond Fund accumulates on a monthly basis the money necessary to make semi-annual interest payments, annual principal payments, and debt service costs. Each year enough money is transferred from various City funds to exactly meet principal and interest payments, and the debt service costs are met with interest earnings.

### Expenditure Summary

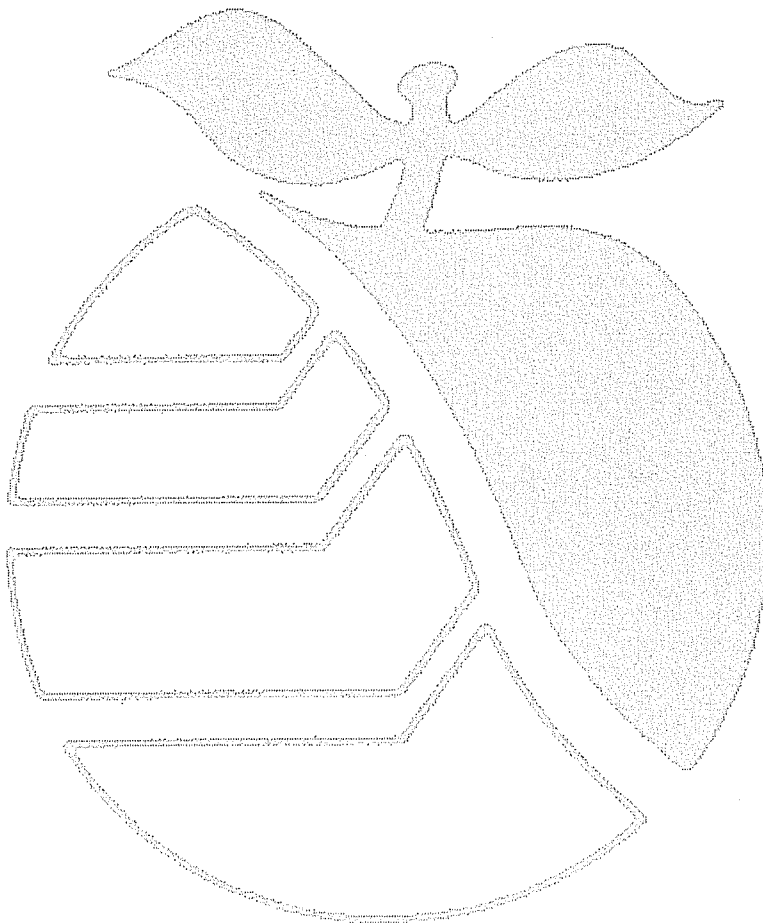
LTGO - Councilmanic Bonds		Fund Number					
		205					
	2006 Actual	2007 Actual	2008 Actual	2009 Budget	2010 Budget	Variance 2010 vs. 2009 Budget	
						Amount	Percent
<b>Revenues</b>							
Transfers In	769,818	712,192	1,018,662	1,016,412	1,016,442	30	0.00%
Bond Proceeds	0	2,560,000	0	0	0	0	#DIV/0!
Interest Income	0	0	9,095	8,400	2,000	(6,400)	N/A
Total Revenues	769,818	3,272,192	1,027,757	1,024,812	1,018,442	(6,370)	-0.62%
<b>Expenditure by Object</b>							
Debt Service Payments	770,600	712,192	1,003,456	1,016,412	1,016,442	30	0.00%
Bond Retirement	0	2,555,352	0	0	0	0	#DIV/0!
Miscellaneous		783	607	0	0	0	#DIV/0!
Transfers Out	0	0	0	0	0	0	#DIV/0!
Total Expenditures	770,600	3,268,327	1,004,063	1,016,412	1,016,442	30	0.00%
<b>Net Increase (Decrease) in</b>							
Fund Balance	(782)	3,865	23,694	8,400	2,000	(6,400)	N/A
Beginning Fund Balance	16,363	15,581	19,446	43,140	51,540	8,400	19.47%
Ending Fund Balance	15,581	19,446	43,140	51,540	53,540	2,000	3.88%



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## Part 10. Capital Project Funds



<p style="text-align: center;"><b>Real Estate Excise Tax</b> <b>Total 2010 Appropriations \$403,820</b> <b>0 FTE</b></p>
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**Description**

The Real Estate Excise Tax Fund is a capital projects fund that has been set-up to account for a variety of capital projects that can be constructed using the first ¼ of one percent real estate excise tax that is paid by the seller of a piece of real estate (the second ¼ of one percent REET is a revenue source in the City's Street Overlay special revenue fund found in Part 8 of this document). We estimate this tax source will generate \$250,900 in 2010.

2010 appropriations are composed of:

- A \$406,820 expenditure reflecting a transfer to the LTGO/Councilmanic Bond Debt Service Fund (see Part 9 of this document for a more in-depth discussion) to pay:
  - \$167,300 of the debt service on the 1998 LTGO bonds that were issued to pay for street overlays. These were 15-year bonds that will be paid-off in 2014.
  - \$236,519 of the debt service on the portion of the 2007 LTGO bonds whose proceeds were applied to the construction of the public works facility expected to be completed in the fall of 2008. These are 20-year bonds that will be paid-off in annual payments through 2027.

Because real estate excise tax revenues have declined so markedly as a result of the economic downturn they will not be sufficient enough to cover the cost of the aforementioned bond payments. Consequently we anticipate transferring a portion of the 2<sup>nd</sup> ¼% REET from the Street Overlay Fund #111 to make up the difference. We anticipate this transfer will be \$5,860 in 2009 and \$152,920 in 2010.

**Expenditure Summary****Fund Number**

Real Estate Excise Tax

301

	2006 Actual	2007 Actual	2008 Actual	2009 Budget	2010 Budget	Variance 2010 vs. 2009 Budget	
						Amount	Percent
<b><u>Revenues</u></b>							
Real Estate Excise Tax	587,754	526,531	474,309	241,100	250,900	9,800	4.06%
Interest	22,033	25,750	5,197	400	0	(400)	-100.00%
Grants	9,372	47,271	141,857	0	0	0	#DIV/0!
Miscellaneous	0	0	0	0	0	0	#DIV/0!
Total Revenues	619,159	599,552	621,363	241,500	250,900	9,400	3.89%
<b><u>Expenditure by Object</u></b>							
Debt Service	175,208	174,060	407,629	406,379	403,820	(2,559)	-0.63%
Capital Outlay	10,450	47,271	147,117	0	0	0	#DIV/0!
Total Expenditures	185,658	221,331	554,746	406,379	403,820	(2,559)	-0.63%
<b><u>Other Financing Sources (Uses)</u></b>							
Transfers In	0	0	0	5,860	152,920	147,060	2509.56%
Transfers Out	0	(500,000)	(500,000)	0	0	0	NA
Total Other Sources (Uses)	0	(500,000)	(500,000)	5,860	152,920	147,060	2509.56%
<b>Net Increase (Decrease) in</b>							
Fund Balance	433,501	(121,779)	(433,383)	(159,019)	0	159,019	-100.00%
Beginning Fund Balance	280,680	714,181	592,402	159,019	0	(159,019)	-100.00%
Ending Fund Balance	714,181	592,402	159,019	0	0	0	#DIV/0!

**Riverside Drive Local Improvement District**  
**Total 2010 Appropriations \$270,157**  
**0 FTE**

**Description**

The Riverside Drive Local Improvement District (LID) capital projects fund is used to account for the local improvement district (LID) portion of the Riverside Drive project (see the Arterial Street Fund discussion in Part 8 of this document for further information on this project). Expenditures reflect actual constructions costs and revenues reflect draws on a bond anticipation note (BAN) that is being utilized to provide interim financing. The BAN was approved on March 5, 2009 by the City Council via Ordinance #2009-09 which authorized up to \$3,000,000 in limited tax general obligation bond anticipation notes (LTGO BAN) from the Cashmere Valley Bank. At the conclusion of the project in 2010 the City will issue LID Bonds to repay the BANs. In the event the City is unable to find an underwriter or bank to purchase the LID bonds, the City will purchase the bonds as an investment of the City's Water/Sewer Fund.

		Fund Number		
<b>Riverside Drive LID</b>		<b>305</b>		
	2008 Actual	2009 Budget	2010 Budget	Project Total
<u>Revenues</u>				
LTGO BAN	0	2,500,000	270,157	2,770,157
Miscellaneous	0	0	0	0
Total revenues	0	2,500,000	270,157	2,770,157
<u>Expenses</u>				
External interest	0	80,000	23,500	103,500
Debt issue costs	0	21,500	0	21,500
Professional services	29,189	0	0	29,189
Construction / Land Acquisition	0	2,369,311	246,657	2,615,968
Total expenses	29,189	2,470,811	270,157	2,770,157
Revenues over (under) expenses	(29,189)	29,189	0	0
Beginning Fund Balance	0	(29,189)	0	0
Ending Fund Balance	(29,189)	0	0	0

**Foothills Trail**  
**Total 2010 Appropriations \$31,898**  
**0 FTE**

**Description**

The Foothills Trail Capital Projects Fund was created to account for revenues and expenses related to the implementation of the Foothills Trails Plan which will result in the design and construction of the Horse Lake Road Trailhead, the Day Road Trailhead and a 4.1-mile trail that links the two areas. It is estimated the project will cost approximately \$320,000 and be financed with a \$154,540 grant from the WA State Recreation and Conservation Office (RCO) and a local match of in-kind services that includes labor, cash and donated easements.

	<b>Fund Number</b>				
<b>Foothills Trail Project</b>	<b>310</b>				
	Actual 2007	Actual 2008	Budget 2009	Budget 2010	Project Total
<b>Revenues</b>					
IAC / RCO	0	23,390	99,252	31,898	154,540
Miscellaneous	0	0	5,000	0	5,000
Transfer In from General Fund	0	275	0	0	275
Total revenues	0	23,665	104,252	31,898	159,815
<b>Expenses</b>					
Capital construction	8,174	23,772	95,348	31,898	159,192
Miscellaneous	0	0	623	0	623
Total expenses	8,174	23,772	95,971	31,898	159,815
Revenues over (under) expenses	(8,174)	(107)	8,281	0	0
Beginning fund balance	0	(8,174)	(8,281)	0	0
Ending fund balance	(8,174)	(8,281)	0	0	0

**Event Center – CERB Grant**  
**Total 2010 Appropriations \$16,680**  
**0 FTE**

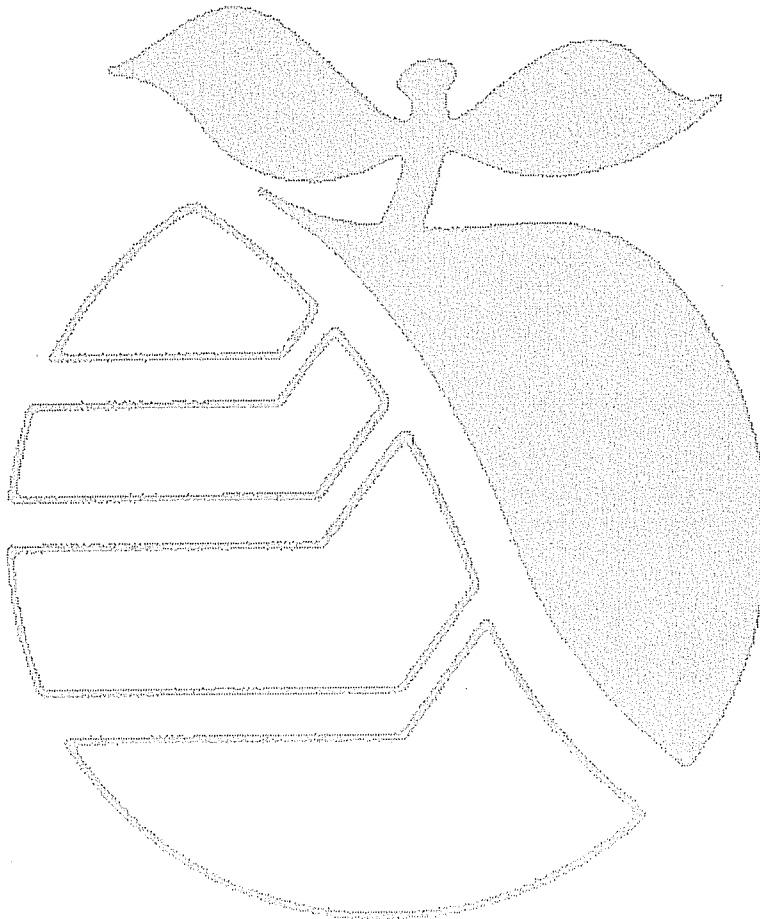
**Description**

This fund was established in 2008 to account for \$8.3 million of a \$10 million grant that was awarded to the City in 2007 by the Washington State Community Economic Revitalization Board. The grant proceeds were utilized to improve Walla Walla Avenue in the amount of \$1.7 million in 2007 (accounted for in the Arterial Street Fund) and facility construction projects in the amount of \$8.3 million for the Greater Wenatchee Regional Events Center in 2008. The negative fund balance of \$983,320 at the conclusion of 2008 reflects the fact that only \$7.3 million of grant proceeds were released by CERB while the entire \$8.3 million was expended on the construction project. The \$1.0 million difference represents a 10% retainage that is being held by CERB pending the completion of the Riverside Drive Construction Project which is expected to take place in the spring of 2010. In order to finance the construction, \$1.0 million was borrowed from the City's Water/Sewer Fund until the retainage is released. While the loan is outstanding the General Fund pays interest on the loan in monthly installments. Once the retainage is released the loan will be repaid.

**Fund Number****Event Center - City Investment****313**

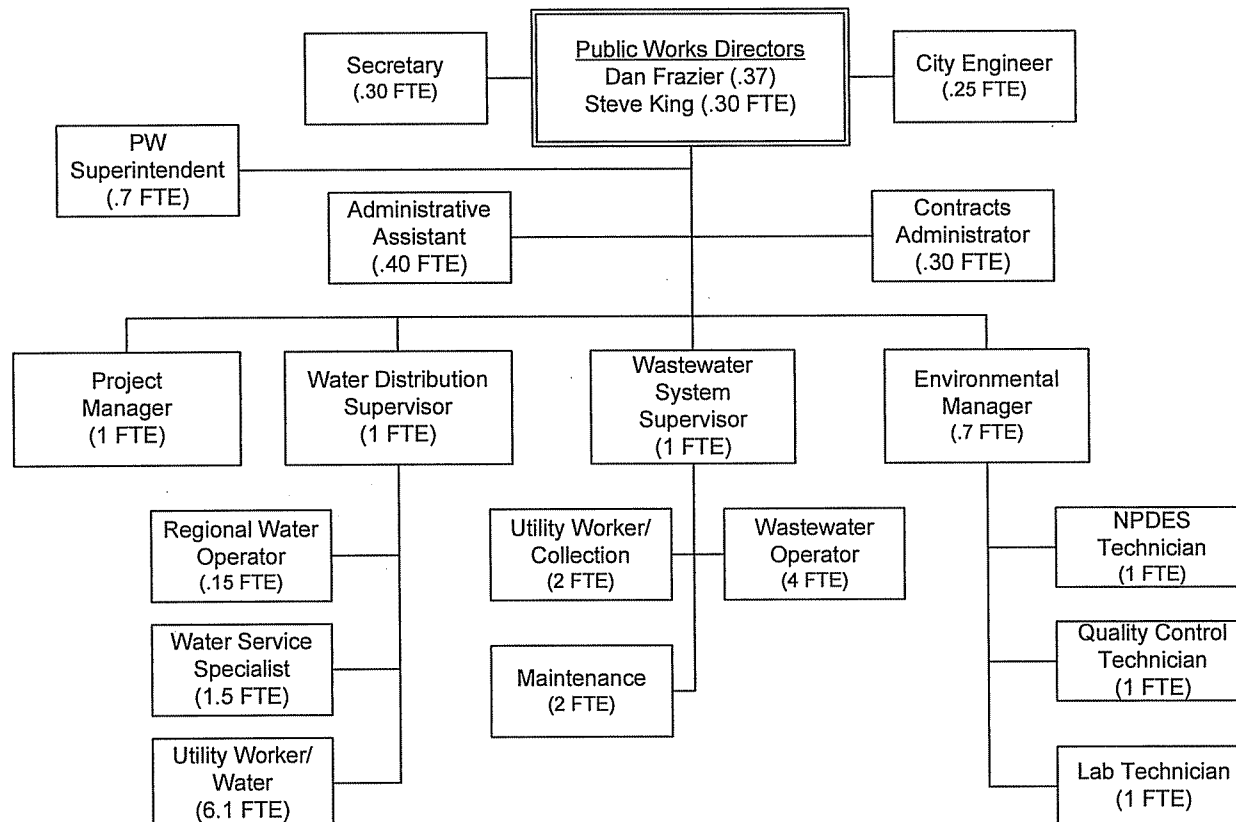
	<b>2008 Actual</b>	<b>2009 Actual</b>	<b>2010 Budget</b>
<b>Revenues</b>			
CERB Grant	7,300,000	0	1,000,000
Interest Revenue	16,680	0	0
Total revenues	7,316,680	0	1,000,000
<b>Expenditures</b>			
Capital outlay	8,300,000		16,680
Total expenditures	8,300,000	0	16,680
Revenues over (under) expenses	(983,320)	0	983,320
Beginning Fund Balance	0	(983,320)	(983,320)
Ending Fund Balance	(983,320)	(983,320)	0

## Part 11. Enterprise Funds





**Water/Wastewater Utility**  
**Public Works Department**  
**Total 2010 Appropriations \$12,776,257**  
**25.07 FTE**

**Description**

The Water/Wastewater Division of the Public Works Department provides water and sanitary sewer services for the City of Wenatchee and sewer service to the Olds Station area and Sunnyslope located outside City limits but within the Urban Growth Boundary. This division is funded solely through utility rates along with other fees for miscellaneous services rendered as well as interest revenue generated from invested cash reserves.

**2010 Goals****Management & Administration:**

- Continue to emphasize safety awareness and related training for all employees.
- Develop 2010 Water System Comprehensive Plan
- Continue Implementation of the cross connection control program.
- Generate the third edition of the Water Resource Review public education publication.
- Selection and design of odor control and visual mitigation measures at the WWTP.
- Represent the City for watershed planning efforts in the area

**Water Distribution:**

- Keep safety our number one goal and look for ways to improve.
- Continue to replace and maintain our fire hydrants.
- Inspect all of our water chambers, lids and frames. Document any problems or concerns and correct any problems

- Do our part to insure the Riverside Drive project is a success. We have hydrants to relocate, vaults to lower, air vacuum valves to install as well as water taps and connections.
- Help Apple Blossom vendors connect to our water system by setting up water trees and testing the numerous back flow preventers.
- Assist all other departments with projects if needed including the North Wenatchee Ave turn lane project, Public Service Center boot wash and storm water swale project.
- Install new mainline on Fuller Street for the hospital upgrade.
- Remove and replace old piping at the one-million gallon reservoir.
- Inspect, clean and repair if needed all pressure zone PRV's. Clean, paint and relocate pressure gauges in PRV vaults to help eliminate the confined space hazard.
- Assist in the snow melt construction.
- Assist Street Department in snow removal and sanding.
- Locate existing sewer at old 9th street yard and extend it to the building.
- Complete the 8 MG reservoir overflow project.
- Complete the Regional Water chlorination replacement system.

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**Wastewater:**

- Another violation free year
- Process remodeling
- Upgrade inventory/maintenance log
- New NPDES permit application
- Monthly staff workshops (safety, maintenance, operations, collections)
- Figure out automated RAS control
- Install inline turbidimeter
- Update plant MSDS sheet book
- PLC/panel-view training
- Digester maintenance
- Project light by wet-well down
- Landscape inside plant
- Wire emergency gen-set to work for all needed lift stations
- Emergency procedures
- 2nd level Dehumidifier installed
- Base pump project
- Pump down wet-well and clean-head works trough.
- Work with Environmental staff on related issues
- Tours for Wenatchee School District 8th grade program
- Data base for preventative maintenance
- Lab proficiency testing
- Condensation tank
- WET testing (Jan. & June)
- Clean drying bed drains
- Odor and visual planning
- Store room organization
- TWAS pump rotor/stator replace
- Primary clarifier #1 spray H<sub>2</sub>O spray arms replacement
- Secondary clarifier skirting replacement
- Take down West AB for maintenance
- Clean pre-aeration

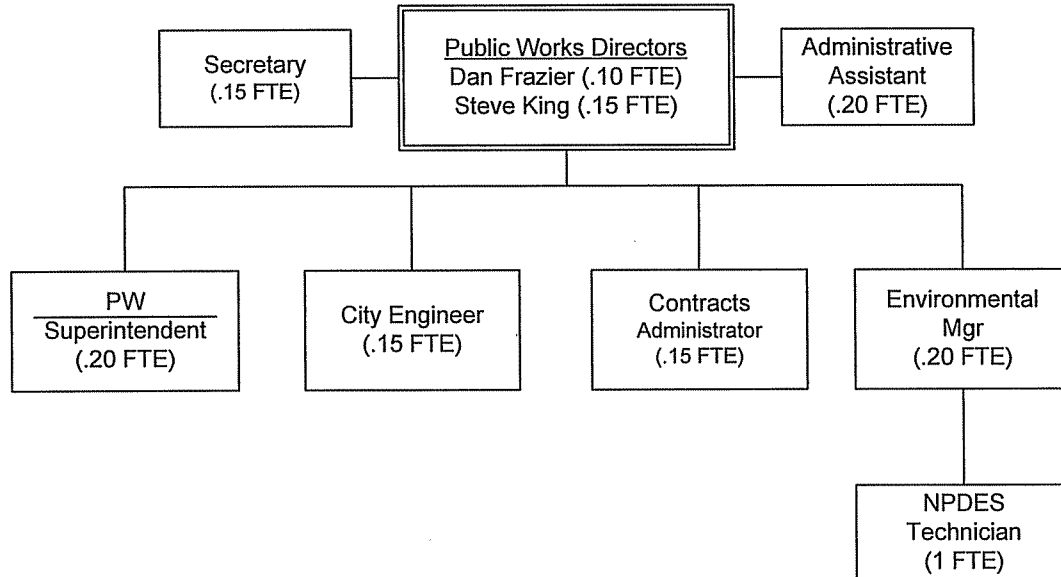
**Expenditure Summary:**

Fund Number							
Water/Sewer Utility		401					
	2006	2007	2008	2009	2010	Variance 2010 vs. 2009 Budget	
	Actual	Actual	Actual	Budget	Budget	Amount	Percent
<b>Revenues</b>							
Utility Sales	7,244,818	7,386,808	7,982,518	8,253,700	8,284,900	31,200	0.38%
Interest Revenue	354,982	277,931	257,180	59,500	60,000	500	0.84%
Miscellaneous	25,102	135,508	36,295	32,500	50,225	17,725	54.54%
Total Revenues	7,624,902	7,800,247	8,275,993	8,345,700	8,395,125	49,425	0.59%
<b>Expenditure by Object</b>							
Operations and Maintenance	2,903,959	3,292,895	3,113,719	3,952,566	4,035,043	82,477	2.09%
General Administration	1,694,369	1,762,002	1,955,569	2,087,460	2,079,569	(7,891)	-0.38%
Bond Interest Expense & Related Charges	210,221	210,655	393,369	362,405	335,199	(27,206)	-7.51%
SRF Loan Interest	100,566	119,413	105,699	100,652	95,529	(5,123)	-5.09%
Amortization of Debt Discount and Exp	12,695	13,103	18,462	0	0	0	#DIV/0!
Total Expenditures	4,921,810	5,398,067	5,586,818	6,503,083	6,545,340	42,257	0.65%
Revenues Over (Under Expenses)	2,703,092	2,402,180	2,689,175	1,842,617	1,849,785	7,168	0.39%
<b>Other Financing Sources (Uses)</b>							
Capital Outlay	(2,645,562)	(2,357,494)	(6,169,471)	(2,351,244)	(5,066,000)	(2,714,756)	115.46%
Transfer In (Out)	0	(333,852)	387,000	42,000	0	(42,000)	-100.00%
Loan to Other Funds	(2,495,792)	0	(1,000,000)	0	0	0	#DIV/0!
Loan Repayment from Other Funds	0	1,316,301	1,179,491	0	0	0	#DIV/0!
SRF Loan Proceeds	129,715	0	0	0	0	0	#DIV/0!
SRF Loan Principal	0	(145,956)	(332,102)	(339,231)	(344,355)	(5,124)	1.51%
Bond Proceeds	0	5,127,170	0	0	8,000,000	8,000,000	#DIV/0!
Bond Principal Retirement	(744,030)	(668,690)	(756,020)	(788,509)	(820,562)	(32,053)	4.07%
Total Other Activities	(5,755,669)	2,937,479	(6,691,102)	(3,436,984)	1,769,083	5,206,067	-151.47%
<b>Net Increase (Decrease) in</b>							
Working Capital	(3,052,577)	5,339,660	(4,001,927)	(1,594,367)	3,618,868		
Beginning Working Capital				4,904,085	3,309,718		
Ending Working Capital				3,309,718	6,928,586		

**Personnel Summary:**

<b>Position</b>	<b>2006 Actual</b>	<b>2007 Actual</b>	<b>2008 Actual</b>	<b>2009 Budget</b>	<b>2010 Budget</b>
Public Works Director	0.2	0.2	0	0	0
Public Works Director of Operations	0	0	0.35	0.37	0.37
Public Works Director of Engineering	0	0	0.3	0.3	0.3
Water Resource Manager	0.9	0.9	0	0	0
City Engineer	0.25	0.25	0.25	0.25	0.25
Assistant City Engineer	0	0	0	0	0
Administrative Assistant	0.85	0.4	0.4	0.4	0.4
Contracts Administrator	0	0.3	0.3	0.3	0.3
Secretary/Receptionist	0	0.3	0.3	0.3	0.3
Water Distribution Supervisor	1	1	1	1	1
Utility Worker/Water	5	5.1	5.1	6.1	6.1
Water Service Specialist (Meter Reader)	1.5	1.5	1.5	1.5	1.5
Regional Water Operators	0.75	0.15	0.15	0.15	0.15
Wastewater Supervisor	1	1	1	1	1
Utility Worker/Collection	2	2	2	2	2
Wastewater Operator	5	5	5	4	4
Wastewater Maintenance	1	2	2	2	2
Environmental Coordinator	0.95	0.95	0.8	0	0
Quality Control Technician	1	1	1	1	1
Lab Technician	1	1	1	1	1
NPDES Technician	1	1	1	1	1
Grounds Maintenance	0	0	0	0	0
Utilities & Environment Manager	0	0	0.75	0.7	0.7
Project Manager	0	0	1	1	1
PW Superintendent	0	0	0	0.7	0.7
<b>Total Personnel</b>	<b>23.4</b>	<b>24.05</b>	<b>25.2</b>	<b>25.07</b>	<b>25.07</b>

**Storm Drain Utility**  
**Public Works Department**  
**Total 2010 Appropriations \$1,163,950**  
**2.3 FTE**



### **Description**

The purpose of the Storm Drain Utility Fund is to provide an account for funds related to the maintenance, improvement, and expansion of the City's storm sewer system. The revenue for this fund is generated from a flat monthly charge to each single-family residence as well as a monthly charge to commercial and multi-family residences based on an "equivalent residential unit." The equivalent residential unit is an impervious surface of 3,000 square feet.

Due to the National Pollutant Discharge Elimination System (NPDES) regulations, utility funds are being used to fund maintenance associated with keeping stormwater clean. Such maintenance activities include public education, street sweeping, catch basin cleaning, and more. The City has not had a strict maintenance program in the past and any work done was performed under the Street budget. This year, is the third year that formal accounting will be performed to track maintenance of the system and costs associated with pollution control.

### **2009 Accomplishments**

- Worked with the Wenatchee Valley Stormwater Technical Advisory Committee on the development of a Stormwater Management Plan necessary to comply with NPDES.
- Swept City streets with vacuum type machines to clean stormwater runoff.
- Cleaned catch basins and stormwater trunk lines.
- Completed mapping of over 90% of the stormwater facilities in the City.
- Completed the second permit year under the NPDES permit issued by the Department of Ecology.
- Adopted a public participation plan and public involvement plan.
- Made stormwater improvements to Worthen Street fronting the Wastewater Treatment Plant.
- Provided public education on stormwater issues at the KPQ Homeshow and through the Kids in the Creek program
- Responded to stormwater complaints.
- Replaced a dilapidated stormwater pipe crossing the Stemilt parking lot near Miller Street.
- Constructed the Ninth Street Stormwater outfall, known as the Linden Tree outfall

**2010 Goals**

- Perform miscellaneous improvements to fix existing drainage problems associated with the street maintenance program.
- Complete a comprehensive plan update process.
- Perform maintenance activities to improve water quality including street sweeping and catch basin cleaning.
- Adopt a stormwater management program in compliance with the state wide NPDES Phase II permit.
- Continue working on implementing the City Snow Melt System.
- Install stormwater improvements in terms of water quality and conveyance along the waterfront associated with the Riverside Drive project.

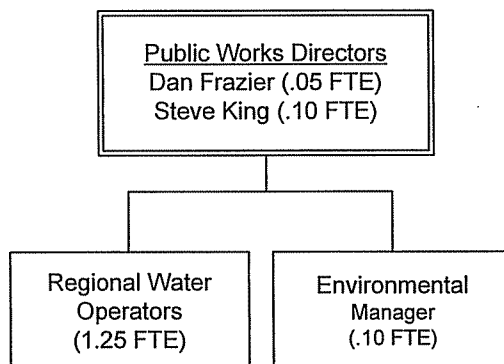
**Expenditure Summary:**

Storm Drain Utility		Fund Number					
		410					
	2006 Actual	2007 Actual	2008 Actual	2009 Budget	2010 Budget	Variance 2010 vs. 2009 Budget	
						Amount	Percent
<b>Revenues</b>							
Intergovernmental Revenue	798	250	53,116	0	46,250	46,250	#DIV/0!
Utility Sales	716,812	870,826	961,461	998,100	1,006,700	8,600	0.86%
Interest Revenue	60,898	64,120	32,583	10,500	10,000	(500)	-4.76%
Miscellaneous	4,159	84	209	0	0	0	#DIV/0!
Total Revenues	782,667	935,280	1,047,369	1,008,600	1,062,950	54,350	5.39%
<b>Expenditure by Object</b>							
Operations and Maintenance	338,508	358,470	668,142	644,019	708,291	64,272	9.98%
General Administration	0	0	0	0	0	0	N/A
Interest Expense & Related Charges	117,744	111,508	104,954	97,581	90,242	7,339	-7.52%
Amortization of Debt Discount and Exp	3,704	3,704	3,704	0	0	0	N/A
Total Expenditures	459,956	473,682	776,799	741,600	798,533	56,933	7.68%
Revenues Over (Under Expenses)	322,711	461,598	270,569	267,000	264,417	(2,583)	-0.97%
<b>Other Financing Sources (Uses)</b>							
Capital Outlay	(250,099)	(346,110)	(421,640)	(430,000)	(200,000)	230,000	-53.49%
Bond Principal Retirement	(135,000)	(140,000)	(150,000)	(155,833)	(165,417)	(9,584)	6.15%
Total Other Activities	(385,099)	(486,110)	(571,640)	(585,833)	(365,417)	220,416	-37.62%
Net Increase (Decrease)							
in Working Capital	(62,388)	(24,512)	(301,071)	(318,833)	(101,000)		
Beginning Working Capital				544,125	225,292		
Ending Working Capital				225,292	124,292		

**Personnel Summary:**

<b>Position</b>	<b>2006 Actual</b>	<b>2007 Actual</b>	<b>2008 Actual</b>	<b>2009 Budget</b>	<b>2010 Budget</b>
Public Works Director	0.2	0.2	0	0	0
Public Works Director of Operations	0	0	0.1	0.1	0.1
Public Works Director of Engineering	0	0	0.15	0.15	0.15
City Engineer	0.15	0.15	0.15	0.15	0.15
Administrative Assistant	0.1	0.2	0.2	0.2	0.2
Contracts Administrator	0	0.15	0.15	0.15	0.15
Secretary	0	0.15	0.15	0.15	0.15
NPDES Technician	1	1	1	1	1
Street Maintenance Supervisor	0	0	0	0	0
Utility Worker/Streets	0	0	0	0	0
Utilities & Environmental Manager	0	0	0.2	0.2	0.2
Environmental Coordinator	0	0	0.2	0	0
PW Superintendent	0	0	0	0.2	0.2
<b>Total Personnel</b>	<b>1.45</b>	<b>1.85</b>	<b>2.3</b>	<b>2.3</b>	<b>2.3</b>

**Regional Water Fund  
Public Works Department  
Total 2010 Appropriations \$921,865  
1.50 FTE**

**Description**

The Wenatchee Regional Water System supplies water to systems operated by the City of Wenatchee, the Chelan County Public Utility District (PUD) and the East Wenatchee Water District (EWWD). The City of Wenatchee is responsible for the day to day operation and maintenance of the system which includes monitoring and maintaining the transmission line, pumps, meters, valves, chlorination equipment and telemetry equipment. Oversight of the system is exercised by an advisory committee composed of staff from each of the three partners, and includes the provision of budgetary, policy, and operational guidance.

**2009 Accomplishments**

- Continued work to transfer the combined water rights from the three Regional partners to the East Bank Aquifer
- Delivered over 3.4 billion gallons of water meeting the water demands of the three Regional partners.
- Constructed a new hypochlorite disinfection system.
- Lowered the regional vault at 5<sup>th</sup> Street for the Riverside Drive Project

**2010 Goals**

- Continue to maximize existing water rights through innovative conservation and irrigation system planning.
- Continue implementation of the Wellhead Protection Program to protect the East Bank Aquifer.
- Improve monitoring of the East Bank Aquifer.
- Administer preventative maintenance programs
- Meet water demands of the partners.
- Operate within State Department of Health regulations 24/7.



**Expenditure Summary:**

Regional Water		Fund Number 415					
	2006 Actual	2007 Actual	2008 Actual	2009 Budget	2010 Budget	Variance 2010 vs. 2009 Budget	
						Amount	Percent
<b>Revenues</b>							
Utility Sales	1,397,734	1,356,050	1,388,970	1,384,100	1,372,900	(11,200)	-0.81%
Interest Revenue	55,479	73,797	58,551	24,100	25,000	900	3.73%
Miscellaneous	245	209	0	0	0	0	#DIV/0!
Total Revenues	1,453,458	1,430,056	1,447,521	1,408,200	1,397,900	(10,300)	-0.73%
<b>Expenditure by Object</b>							
Operations and Maintenance	457,802	509,402	445,850	494,215	475,404	(18,811)	-3.81%
Interest Expense & Related Charges	73,176	58,334	47,122	34,838	24,105	(10,733)	-30.81%
Amortization of Debt Discount and Exp	5,971	5,971	5,971	0	0	0	#DIV/0!
Total Expenditures	536,949	573,707	498,943	529,053	499,509	(29,544)	-5.58%
Revenues Over (Under Expenses)	916,509	856,349	948,578	879,147	898,391	19,244	2.19%
<b>Other Financing Sources (Uses)</b>							
Capital Outlay	0	0	(89,953)	(1,016,000)	(55,000)	961,000	-94.59%
Transfer In (Out)	0	0	195,000	(11,800)	0	11,800	-100.00%
Bond Principal Payment	(515,970)	(401,310)	(343,980)	(355,242)	(367,356)	(12,114)	3.41%
Total Other Activities	(515,970)	(401,310)	(238,933)	(1,383,042)	(422,356)	960,686	-69.46%
Net Increase (Decrease) in Working Capital	400,539	455,039	709,645	(503,895)	476,035		
Beginning Working Capital				2,192,457	1,688,562		
Ending Working Capital				1,688,562	2,164,597		

**Personnel Summary:**

Position	2006 Actual	2007 Actual	2008 Actual	2009 Budget	2010 Budget
Public Works Director	0.05	0.05	0	0	0
Public Works Director of Operations	0	0	0.05	0.05	0.05
Public Works Director of Engineering	0	0	0.1	0.1	0.1
Water Resource Manager	0.1	0.1	0	0	0
Regional Water Operators	1.25	1.25	1.25	1.25	1.25
Environmental Coordinator	0.05	0.05	0	0	0
Environmental Manager	0	0	0.05	0.1	0.1
<b>Total Personnel</b>	1.45	1.45	1.45	1.5	1.5

**Solid Waste Fund**  
**Public Works Department**  
**Total 2010 Appropriations \$1,837,790**  
**0 FTE**

**Description**

Garbage services are provided to the citizens of Wenatchee through a contract with Waste Management, Inc. that runs through the year 2020. Based upon the provisions of the contract, Waste Management collects all solid waste throughout the City for both residential and commercial customers. While Waste Management bills and collects from commercial customers, the City bills and collects from residential customers. Included in the City bill is an administrative fee to recover the cost of maintenance and billing of accounts. The City is then in turn billed by Waste Management for their total residential collections.

As a part of the contract with Waste Management it was agreed that they will receive annual rate increases (applied to both residential and commercial collections) which are based upon the Department of Labor, Bureau of Labor Statistics CPI for All Urban Consumers, Class D Cities as compared from July to July. The City then determines how much of the rate increase to pass on to our residential customers based upon an assessment of estimated revenues and expenses as well as adequacy of fund reserves.

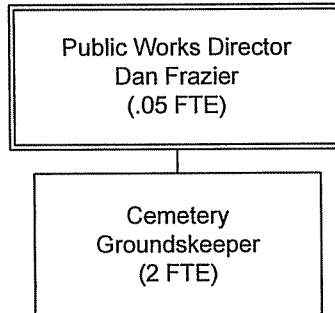
The following table provides an 11-year history of residential rates, residential rate increases, and rate increases paid to Waste Management:

Residential Garbage Collection Rates						
Year	Collection Fee	SWAC	Total Monthly Fee	Actual Increase Passed through to Residential Customers		Contractual Increase Paid to Waste Management
				\$	%	
2010	\$17.67	\$0.19	\$17.86	\$0.00	0.00%	0.0000%
2009	\$17.67	\$0.19	\$17.86	\$0.60	3.48%	3.0000%
2008	\$17.07	\$0.19	\$17.26	\$0.49	2.92%	2.3000%
2007	\$16.57	\$0.20	\$16.77	\$0.98	6.21%	3.0000%
2006	\$15.59	\$0.20	\$15.79	\$0.42	2.73%	2.8778%
2005	\$15.15	\$0.22	\$15.37	\$0.00	0.00%	2.6620%
2004	\$15.15	\$0.22	\$15.37	\$0.01	0.07%	1.5540%
2003	\$15.14	\$0.22	\$15.36	\$0.09	0.59%	0.6560%
2002	\$15.04	\$0.23	\$15.27	\$0.00	0.00%	0.9100%
2001	\$15.04	\$0.23	\$15.27	\$0.14	0.93%	0.0000%
2000	\$14.90	\$0.23	\$15.13	—	—	—
Total fee increase from 2000 to 2010 is				\$2.73		
Total percent increase from 2000 to 2010 is				18.04%		
Average annual rate increase from 2000 to 2010 is				1.67%		

**Expenditure Summary:**

Fund Number							
Solid Waste		420					
	2006	2007	2008	2009	2010	Variance 2010	
	Actual	Actual	Actual	Budget	Budget	vs. 2009 Budget	
						Amount	Percent
<b>Revenues</b>							
Utility Sales	1,588,718	1,755,707	1,802,216	1,849,300	1,852,600	3,300	0.18%
Interest Revenue	7,026	6,222	4,282	3,900	2,000	(1,900)	-48.72%
Miscellaneous	(387)	0	0	0	0	0	#DIV/0!
Total Revenues	1,595,357	1,761,929	1,806,498	1,853,200	1,854,600	1,400	0.08%
<b>Expenditure by Object</b>							
Operations and Maintenance	41,500	41,500	41,500	41,500	41,500	0	0.00%
Contract Operations	1,387,709	1,461,292	1,510,231	1,550,300	1,556,400	6,100	0.39%
General Administration	205,521	218,991	214,608	240,070	239,890	(180)	-0.07%
Total Expenditures	1,634,730	1,721,783	1,766,339	1,831,870	1,837,790	5,920	0.32%
Revenues Over (Under Expenses)	(39,373)	40,146	40,159	21,330	16,810	(4,520)	-21.19%
<b>Other Financing Sources (Uses)</b>							
Capital Expenditure	0	0	0	0	0	0	NA
Transfers In (Out)	0	0	0	0	0	0	NA
Total Other Activities	0	0	0	0	0	0	NA
Net Increase (Decrease) in Working Capital	(39,373)	40,146	40,159	21,330	16,810		
Beginning Working Capital				193,098	214,428		
Ending Working Capital				214,428	231,238		

**Cemetery Fund**  
**Public Works Department**  
**Total 2010 Appropriations \$229,536**  
**2.05 FTE**

**Description**

This division of the Public Works Department has the responsibility for the administration, operation and maintenance of the City's cemetery. The scope of services offered by the Wenatchee Cemetery includes all burial services from full ground interment to cremation niche wall interment. The cemetery staff is responsible for the sales of burial plots and cremation niches, sales of burial containers and memorial markers, coordination of burial arrangements with local funeral directors, grave site opening and closing services and the grounds maintenance of the entire 34 Acre Site. There are currently over 18,500 interred at the cemetery and the facility has been averaging nearly 200 services per year.

The Cemetery Fund derives its revenue from three sources. The first source is the fees charged for services provided. The second source is provided by the sales of burial plots, cremation spaces, memorial markers and other products. The third source is an operating transfer from the General Fund. The Cemetery Endowment Fund receives a portion of the plot sales to help provide for the future maintenance costs of the Cemetery. The Cemetery Endowment Fund principal cannot be allocated for expenditures and the interest income is reinvested in the Endowment Care Fund.

The Cemetery Fund has experienced consecutive years where operating expenses have exceeded the combination of operating revenues and interest earnings from the Cemetery Endowment Fund. The cumulative losses over the years had placed the Cemetery Fund in the precarious financial position where soon it would have consumed all reserves and been in a position where it was unable to continue with operations. In order to circumvent this event the City Council has opted to transfer General Fund reserves to the Cemetery Fund in order to:

- Cover anticipated operating deficits, and
- Finance a number of capital improvements including the construction of a niche wall, development of a scattering garden and a cemetery expansion. It is hoped that these will help the Cemetery Fund to generate additional revenue and thus alleviate the General Fund of the need to subsidize future operations.

General Fund subsidies by year and amount are as follows:

2004	\$ 46,800 (actual)
2005	\$ 86,600 (actual)
2006	\$ 35,400 (actual)
2007	\$100,791 (actual)
2008	\$ 52,204 (actual) + \$45,000 from Fund #502
2009	\$ 60,000 (budget)
2010	\$ 20,000 (budget)

**2009 Accomplishments**

- Continued upgrades to the irrigation system – as necessary
- Implemented new turf management practices including new herbicide and fertilizer programs and aeration program.
- Trimmed nearly 19,000 memorial markers and lot markers three times in 2009
- Repaired and leveled 50 memorial markers and nearly 100 graves.

**2010 Goals**

- Continued upgrades to the irrigation system – as necessary.
- Continue Cemetery facility planning.
- Completion of the plaza landscape surrounding the new columbarium walls.
- Construction of a simplified scattering garden.
- Complete landscaping improvements at Home-of-Peace
- Improvement of roadway and drainage in section O
- Increase marketing of Cemetery goods and services.

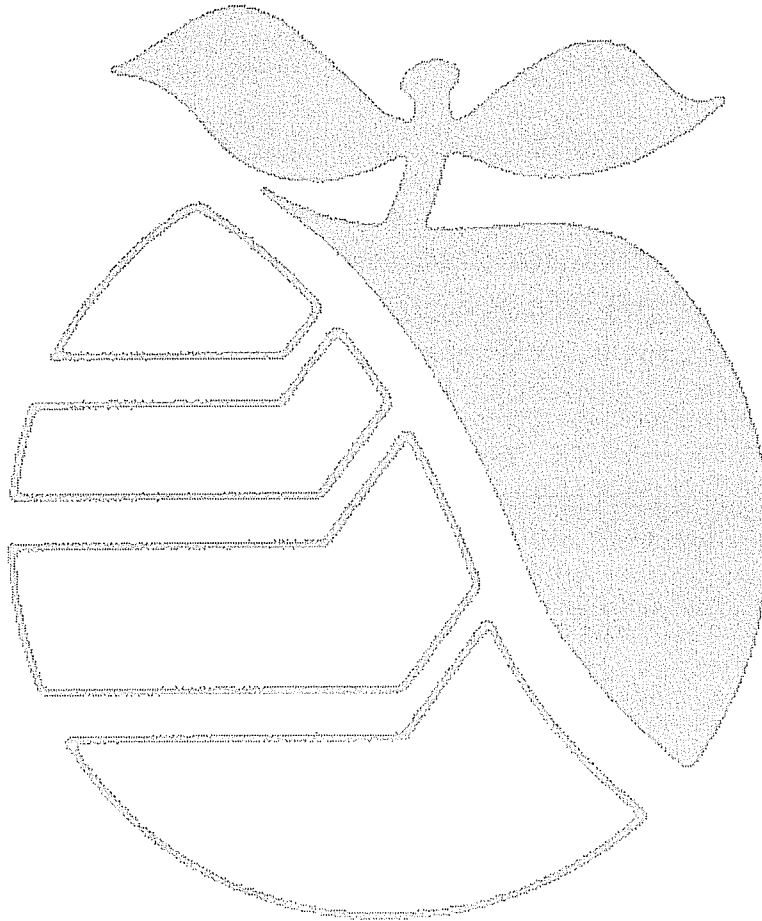
**Expenditure Summary:**

Fund Number							
Cemetery	430						
	2006	2007	2008	2009	2010	Variance 2010 vs. 2009 Budget	
	Actual	Actual	Actual	Budget	Budget	Amount	Percent
<b>Revenues</b>							
Charges for Services	191,212	195,357	187,794	148,250	193,430	45,180	30.48%
Interest Revenue	5,910	5,966	2,960	2,100	1,000	(1,100)	-52.38%
Miscellaneous	1,086	3,769	710	300	800	500	166.67%
Total Revenues	198,208	205,093	191,464	150,650	195,230	44,580	29.59%
<b>Expenditure by Object</b>							
Operations and Maintenance	244,844	265,348	276,943	268,623	229,536	(39,087)	-14.55%
General Administration	0	0	0	0	0	0	#DIV/0!
Debt Service & Interest Expense	0	0	0	0	0	0	#DIV/0!
Total Expenditures	244,844	265,348	276,943	268,623	229,536	(39,087)	-14.55%
Revenues Over (Under Expenses)	(46,636)	(60,255)	(85,479)	(117,973)	(34,306)	83,667	-70.92%
<b>Other Financing Sources (Uses)</b>							
Transfers In - Fund 610	33,656	0	0	0	0	0	#DIV/0!
Transfers In - Fund 502	0	0	45,000	0	0	0	#DIV/0!
Transfers In - Fund 001	35,400	100,791	52,204	60,000	20,000	(40,000)	-66.67%
Capital Outlay	0	(19,306)	0	(5,750)	0	5,750	-100.00%
Total Other Activities	69,056	81,485	97,204	54,250	20,000	(34,250)	-63.13%
Net Increase (Decrease) in Working Capital	22,420	21,230	11,725	(63,723)	(14,306)		
Beginning Working Capital				118,602	54,879		
Ending Working Capital				54,879	40,573		

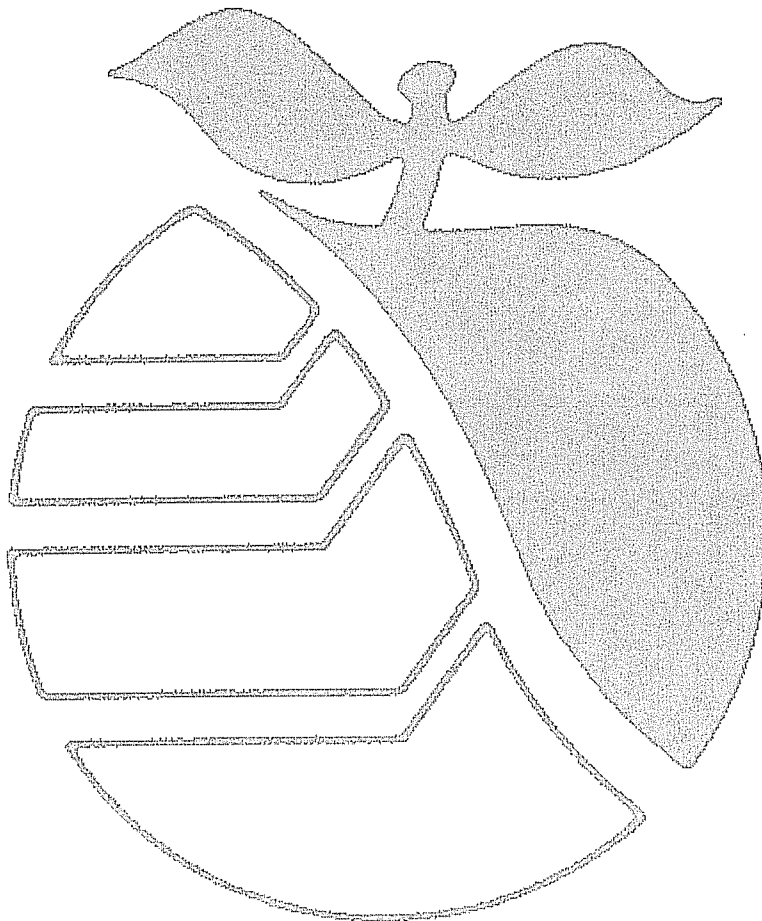
**Personnel Summary:**

Position	2006 Actual	2007 Actual	2008 Actual	2009 Budget	2010 Budget
Public Works Director of Operations	0	0	0	0.05	0.05
Facility Manager	0.05	0.05	0.05	0	0
Groundskeeper	2	2	2	2	2
<b>Total Personnel</b>	2.05	2.05	2.05	2.05	2.05

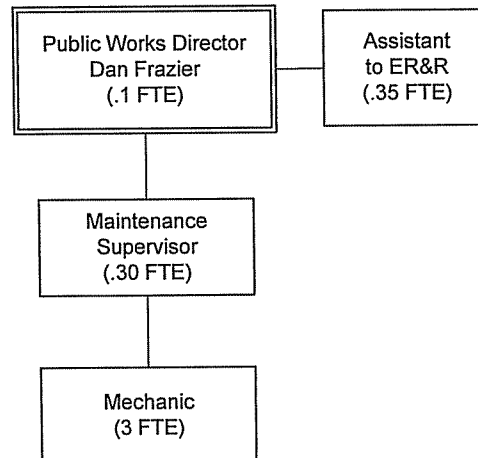
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## Part 12. Internal Service Funds





**Equipment Operations & Maintenance Fund****Public Works Department****Total 2010 Appropriations \$819,006****3.75 FTE****Description**

This division of the Public Works Department has the responsibility for the initial setup, preventive and ordinary maintenance and repair of the entire City fleet of vehicles and equipment. Vehicle and equipment maintenance costs began increasing beginning in 2008 as the City looked to extending vehicle and equipment replacement schedules to reduce yearly capital costs. The fleet budget was severely affected in 2008 by the drastic increase in fuel prices during the summer. 2009 appropriations were increased for fuel and oil due to rising petroleum prices although that trend reversed in the last quarter of 2008.

**Expenditure Summary:**

## Fund Number

City Services - Equipment O &amp; M

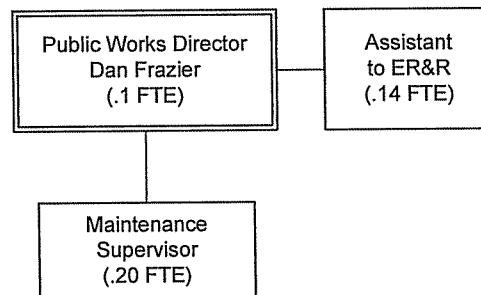
501

	2006	2007	2008	2009	2010	Variance 2010 vs. 2009 Budget	
	Actual	Actual	Actual	Budget	Budget	Amount	Percent
<b>Revenues</b>							
Charges for Services	706,419	779,084	806,346	875,624	797,002	(78,622)	-8.98%
Fire Truck Replacement	90,941	95,140	100,109	0	0	0	#DIV/0!
Interest Revenue	33,429	41,761	25,767	10,300	10,000	(300)	-2.91%
Miscellaneous	994	1,143	899	0	0	0	#DIV/0!
Total Revenues	831,783	917,128	933,121	885,924	807,002	(78,922)	-8.91%
<b>Expenditure by Object</b>							
Operations and Maintenance	708,160	740,478	892,118	898,702	819,006	(79,696)	-8.87%
Interest Expense & Related Charges	0	0	0	0	0	0	#DIV/0!
Total Expenditures	708,160	740,478	892,118	898,702	819,006	(79,696)	-8.87%
Revenues Over (Under Expenses)	123,623	176,650	41,003	(12,778)	(12,004)	774	-6.06%
<b>Other Financing Sources (Uses)</b>							
Capital Outlay	0	0	(11,519)	(10,000)	0	10,000	-100.00%
Bond Principal Retirement	0	0	0	0	0	0	#DIV/0!
Transfers In (Out)	0	0	0	0	0	0	#DIV/0!
Total Other Activities	0	0	(11,519)	(10,000)	0	10,000	-100.00%
Net Increase (Decrease) in							
Working Capital	123,623	176,650	29,484	(22,778)	(12,004)		
Beginning Working Capital				264,468	241,690		
Ending Working Capital				241,690	229,686		

**Personnel Summary:**

Position	2006 Actual	2007 Actual	2008 Actual	2009 Budget	2010 Budget
Public Works Director of Operations	0.05	0.05	0.1	0.1	0.1
Maintenance Manager	0.2	0.2	0	0	0
City Services Supervisor	0	0.3	0.3	0.3	0.3
Assistant to Equip. Rental & Replacmt	0.25	0.25	0.35	0.35	0.35
Mechanic	3	3	3	3	3
<b>Total Personnel</b>	3.5	3.8	3.75	3.75	3.75

**Equipment Replacement Fund**  
**Public Works Department**  
**Total 2010 Appropriations \$38,722**  
**.44 FTE**

**Description**

The Equipment Rental & Replacement fund is the City's revolving fund which is designed to provide the capital funds necessary to purchase new vehicles and equipment at predetermined life cycles. This fund operates by charging each City department a monthly rental rate for the equipment and vehicles that they use. The fee is structured on the estimated life of the vehicle or equipment and its replacement cost. This method of asset management allows all of the City departments to budget vehicle and equipment costs as a reoccurring expense rather than intermittent capital expenses that may be subject to fluctuations in reoccurring revenue.

The ER&R Staff constructs purchasing specifications and conditions to ensure that all vehicle and equipment purchases meet with the standards of the City and the particular department for which the vehicle or equipment is being purchased. ER&R staff also ensures that all vehicle and equipment specifications are met for the most competitive price available.

**2009 Accomplishments and 2010 Goals**

In 2009 the ER&R fund continued to maintain the asset management system and evaluate vehicle and equipment needs. In 2010 the ER&R fund will continue to analyze the capital and life-cycle costs of existing and new vehicles and make recommendations regarding service life and replacement equipment. ER&R will also strive to keep the capital costs and rental rates low by conducting a financial analysis of the asset management system and "in service" equipment costs.

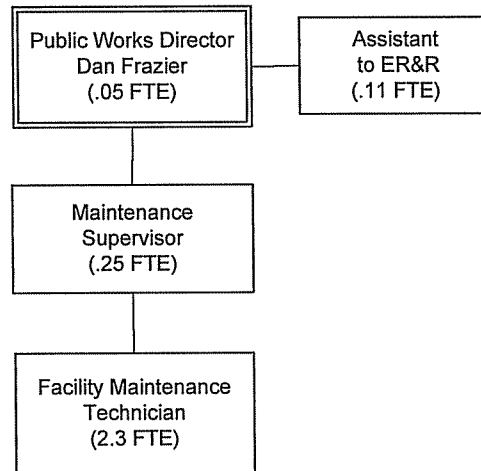
**Expenditure Summary:**

Fund Number							
City Services - Equip. Replacement		503					
	2006	2007	2008	2009	2010	Variance 2010	
	Actual	Actual	Actual	Budget	Budget	vs. 2009 Budget	
						Amount	Percent
<b>Revenues</b>							
Charges for Services	377,779	424,155	494,646	236,130	537,253	301,123	127.52%
Interest Revenue	67,340	66,049	33,178	12,000	12,000	0	0.00%
Miscellaneous	17,409	20,338	40,287	0	0	0	N/A
Total Revenues	462,528	510,542	568,111	248,130	549,253	301,123	121.36%
<b>Expenditure by Object</b>							
Operations and Maintenance	39,538	51,432	47,380	38,645	38,722	77	0.20%
Miscellaneous	0	0	0	0	0	0	N/A
Total Expenditures	39,538	51,432	47,380	38,645	38,722	77	0.20%
Revenues Over (Under Expenses)	422,990	459,111	520,731	209,485	510,531	301,046	143.71%
<b>Other Financing Sources (Uses)</b>							
Capital Outlay	(394,661)	(824,332)	(802,506)	(216,379)	0	216,379	-100.00%
Transfers In	0	333,852	207,840	10,000	0		
Transfers Out	0	(99,180)	(48,426)	0	0	0	N/A
Total Other Activities	(394,661)	(589,660)	(643,092)	(206,379)	0	216,379	-104.85%
Net Increase (Decrease) in							
Working Capital	28,329	(130,550)	(122,361)	3,106	510,531		
Beginning Working Capital				998,452	1,001,558		
Ending Working Capital				1,001,558	1,512,089		

**Personnel Summary:**

	2006	2007	2008	2009	2010
Position	Actual	Actual	Actual	Budget	Budget
Public Works Director of Operations	0.05	0.05	0.1	0.1	0.1
Maintenance Manager	0.1	0.1	0	0	0
City Services Supervisor	0	0.2	0.2	0.2	0.2
Assistant to Equip. Rental & Replacmt	0.1	0.1	0.14	0.14	0.14
Total Personnel	0.25	0.45	0.44	0.44	0.44

**Facility Maintenance Fund**  
**Public Works Department**  
**Total 2010 Appropriations \$341,042**  
**2.71 FTE**

**Description**

The Facility Maintenance division is responsible for the building maintenance for all of the City's facilities. This includes City Hall, the Police Station, Information Services/Facility Maintenance building, the Public Services Center Complex, the Museum Complex, the Community Center, the two Fire Stations, the City Pool and Bathhouse and some of the work at the buildings in City parks. This fund operates by charging each City department a fee for facility maintenance and upkeep. The fee is based upon the previous year's expenditures as well as any program enhancements included in the new operating budget.

The facility maintenance crew also provides tenant improvement services for City departments such as remodels of existing spaces, or expansions to accommodate departmental growth.

**Expenditure Summary:**

Fund Number							
Facility Maintenance		504					
	2006	2007	2008	2009	2010	Variance 2010 vs. 2009 Budget	
	Actual	Actual	Actual	Budget	Budget	Amount	Percent
<b>Revenues</b>							
Charges for Services	284,400	309,817	332,786	331,481	342,242	10,761	3.25%
Interest Revenue	9,945	11,137	6,055	5,400	1,700	(3,700)	-68.52%
Child Care Center Rent	6,275	6,276	5,752	6,300	6,300		
Miscellaneous	418	391	343	0	0	0	N/A
Total Revenues	301,038	327,621	344,936	343,181	350,242	7,061	2.06%
<b>Expenditure by Object</b>							
Operations and Maintenance	287,992	319,710	319,515	331,332	341,042	9,710	2.93%
General Administration	0	0	0	0	0	0	N/A
Total Expenditures	287,992	319,710	319,515	331,332	341,042	9,710	2.93%
Revenues Over (Under Expenses)	13,046	7,911	25,421	11,849	9,200	(2,649)	-22.36%
<b>Other Financing Sources (Uses)</b>							
Capital Outlay	0	(134,159)	(46,997)	0	0	0	#DIV/0!
Transfers in	0	100,000	0	65,500	0	(65,500)	-100.00%
Transfers out	0	0	(7,269)	(65,500)	0	65,500	-100.00%
Total Other Activities	0	(34,159)	(54,266)	0	0	0	#DIV/0!
Net Increase (Decrease) in Working Capital	13,046	(26,248)	(28,845)	11,849	9,200		
Beginning Working Capital				132,494	144,343		
Ending Working Capital				144,343	153,543		

**Personnel Summary:**

Position	2006 Actual	2007 Actual	2008 Actual	2009 Budget	2010 Budget
Public Works Director of Operations	0.05	0.05	0.05	0.05	0.05
City Services Manager	0.15	0.15	0	0	0
City Services Supervisor	0	0.25	0.25	0.25	0.25
Facility Maintenance Technician	2.3	2.3	2.3	2.3	2.3
Assistant to Equip. Rental & Replacmt	0.075	0.075	0.11	0.11	0.11
Total Personnel	2.575	2.825	2.71	2.71	2.71

<p style="text-align: center;"><b>Self Insurance Fund</b> <b>Total 2010 Appropriations \$864,000</b> <b>0 FTE</b></p>
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The Self-Insurance Fund provides property/casualty insurance that covers all City assets and programs. This fund has also previously accounted for the provision of medical coverage for all City employees and all police officers and firefighters hired prior to October 1, 1977 (see related discussions in Part 8 of this budget document for the LEOFF 1 – Long-Term Care Fund and the LEOFF 1 – Health Care Fund).

**Property & Casualty Coverage**

The City of Wenatchee is exposed to risks of loss related to a number of sources including tort; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City protects itself against potential loss by employing a two-tier risk management approach. First, the City shares risk of losses through membership in the Association of Washington Cities Risk Management Service Agency (AWC RMSA). Second, the City reserves the right to utilize the provisions of RCW 35A.31.060-070 to fund catastrophic or uninsured losses. This State statute allows cities to levy a non-voted property tax increase to pay for uninsured claims.

Authorization for the creation of the AWC RMSA is provided by Chapter 48.62 RCW which authorizes the governing body of any one or more government entities to form together into or join a pool or organization for the joint purchasing of insurance, and/or joint self-insuring, and/or joint hiring or contracting for risk management services to the same extent that they may individually purchase insurance, self-insure, or hire or contract for risk management services. An agreement to form a pooling arrangement was made pursuant to the provisions of Chapter 39.34 RCW, the Interlocal Cooperation Act. The AWC RMSA was formed on January 1, 1989 when 32 municipalities in the State of Washington joined together by signing an Interlocal Government Agreement to pool their self-insured losses and jointly purchase insurance and administrative services. Currently, 86 municipalities participate in the pool (as of December 31, 2009). The City of Wenatchee joined the AWC RMSA May 1, 1993.

The AWC RMSA allows members to establish a program of joint insurance and provides risk management services to all members. All coverages are on an occurrence basis. The City has elected to retain a \$25,000 indemnity deductible on all liability coverages. The AWC RMSA provides all risk property, comprehensive crime, general liability, automobile liability, police liability, public officials' liability, employee fidelity and faithful performance, and boiler and machinery insurance coverage. Boiler and machinery is included with the property reinsurance carrier and employee fidelity coverage is a stand-alone policy that the AWC RMSA arranges for its members. The AWC RMSA also allows members to group purchase airport liability coverage.

Members pay an annual assessment to the AWC RMSA. The AWC RMSA is responsible for payment of all covered causes of loss against the jurisdiction above the stated retention. AWC RMSA, itself, pays out of its own funds all claims up to \$400,000 for liability and \$50,000 for property, and thereafter purchases excess liability insurance through ACE Insurance Company up to \$1 million, and CV Starr, from \$1 million to \$10 million. The excess property coverage is purchased through Allianz, using the Pool's broker, Arthur J. Gallagher Risk Management Services. Since the AWC RMSA is a cooperative program, the members of the AWC RMSA are jointly liable.

Members contract to remain in the pool a minimum of three years and must give one-year notice before terminating participation. Even after termination, a member is still responsible for contributions to the Pool for any unresolved, unreported, and in-process claims for the period they were signatory to the Interlocal Governmental Agreement.

The Interlocal Government Agreement was revised in 2009 and each member is required to approve the new Interlocal Agreement and provide RMSA with a signed copy. The Pool is governed by a board of directors serving ex-officio as the AWC Board of Directors. Once 75 percent of the new Interlocal Agreements are signed, RMSA will elect a board comprised of its members.

The AWC RMSA establishes a loss fund for both reported and unreported insured events, which includes estimates of both future payments of losses and related claim adjustment expenses. The City has also established a liability for outstanding property/casualty claims as of December 31, 2009. The specific financial of the AWC RMSA can be seen in the Annual Report on file in the Finance Department of the City of Wenatchee.

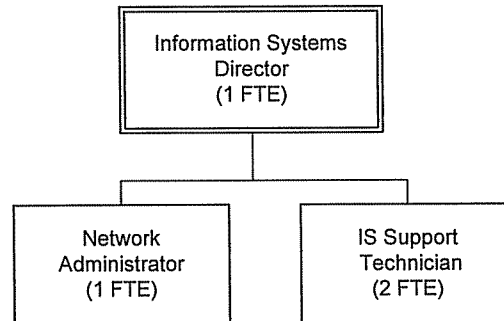
Revenues for this fund are obtained from monthly assessments against many City funds and departments. Expenses include the annual premium payment to AWC RMSA as well as money paid for the occasional claims settlements and other miscellaneous services.

### **Expenditure Summary:**

		Fund Number						
Self-Insurance		502						
	2006	2007	2008	2009	2010	Variance 2010 vs. 2009 Budget		
	Actual	Actual	Actual	Budget	Budget	Amount	Percent	
<b><u>Revenues</u></b>								
Property/Casualty	1,075,342	1,074,577	1,071,466	1,068,200	849,000	(219,200)	-20.52%	
Insurance Recoveries	5,559	14,710	21,594	32,000	0			
Interest Income	83,711	118,275	69,967	20,000	15,000	(5,000)	-25.00%	
Total Revenues	1,164,612	1,207,562	1,163,027	1,120,200	864,000	(256,200)	-22.87%	
<b><u>Expenditure by Object</u></b>								
Property/Casualty	604,584	737,926	780,396	880,400	864,000	(16,400)	-1.86%	
Transfer out - #314	0	0	855,000	0	0	0	#DIV/0!	
Transfer out - #401	0	0	405,000	0	0	0	#DIV/0!	
Transfer out - #415	0	0	195,000	0	0	0	#DIV/0!	
Transfer out - #430	0	0	45,000	0	0	0	#DIV/0!	
Total Expenditures	604,584	737,926	2,280,396	880,400	864,000	(16,400)	-1.86%	
Revenues Over (Under Expenses)	560,028	469,636	(1,117,369)	239,800	0	(239,800)	-100.00%	
Beginning Working Capital	1,487,394	2,047,422	2,517,058	1,399,689	1,639,489			
Ending Working Capital	2,047,422	2,517,058	1,399,689	1,639,489	1,639,489			



**Information Technology Fund**  
**Total 2010 Appropriations \$818,218**  
**4 FTE**

**Description**

The Information Systems department's mission is to proactively provide cost effective, reliable, standardized, and current information technology tools, systems, and services including customer support to the departments of the City of Wenatchee. The Information Systems department designs, maintains, and monitors the City's data network. The department orders, delivers, repairs, and maintains all desktop, handheld personal computers and peripheral equipment. They insure the integrity and security of data operations, and oversee and manage the City's data center. Primary computer applications, such as financial, payroll, utilities, permitting, and public safety and related database systems, are maintained and supported by the Information Systems department. The department manages the City's Internet and Intranet web sites, Wenatchee Public Access TV equipment and programming, and the City's telephone systems. In 2009 Information Systems began providing network and desktop support for the Greater Wenatchee Regional Events Center Public Facilities District.

**2009 Accomplishments**

- Began providing IT services for the Greater Wenatchee Regional Events Center Public Facilities District
- Upgraded PCs in Community Center, Engineering and other departments
- Installed disk to disk backup devices
- Installed Wireless Access Points at the Community Center
- Upgraded most servers to Microsoft Windows Server 2008
- Upgraded to Microsoft Exchange Server 2007
- Upgraded to Microsoft SQL Server 2008
- Replaced virus scan software with ESET
- Created a city intranet site with Microsoft SharePoint
- Installed an email archiving solution
- Installed point of sale software and hardware for the Museum
- Added an online citizen help desk to the city website
- Installed a Windows Media Server to provide streaming video on website
- Updated the computer use policy now called Technology Resource Usage Policy

**2010 Goals**

- Streamline printing environment
- Explore desktop virtualization
- Upgrade to Microsoft Windows 7
- Select and install centralized PC power management solution
- Work with departments to provide an electronic records management solution

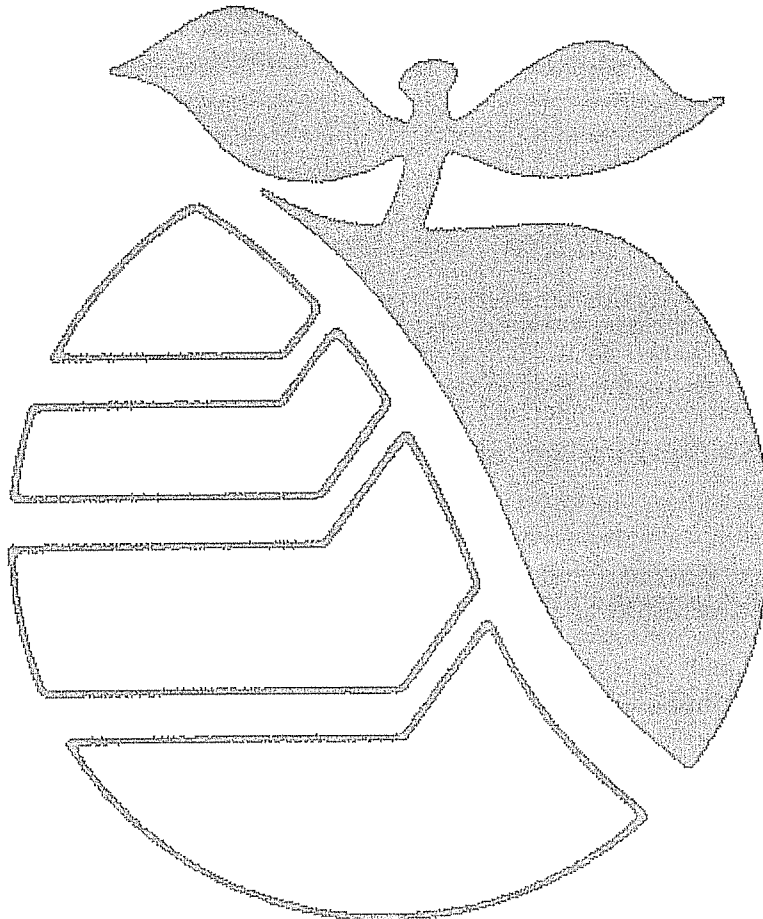
**Expenditure Summary:**

Fund Number							
Data Processing		505					
	2006	2007	2008	2009	2010	Variance 2010 vs. 2009 Budget	
	Actual	Actual	Actual	Budget	Budget	Amount	Percent
<b>Revenues</b>							
Charges for Services	712,660	755,640	832,320	796,750	819,160	22,410	2.81%
Equipment Addition Reimbursements	0	105,468	19,687	0	0	0	N/A
Interest Revenue	15,744	15,580	10,159	9,500	2,100	(7,400)	-77.89%
Cable TV Capital Contributions	10,440	1,118	1,526	1,800	1,500	(300)	-16.67%
Miscellaneous	4,271	726	2,164	0	0	0	N/A
Total Revenues	743,115	878,532	865,856	808,050	822,760	14,710	1.82%
<b>Expenditure by Object</b>							
Operations and Maintenance	776,061	802,194	879,648	826,932	818,218	(8,714)	-1.05%
General Administration	0	0	0	0	0	0	N/A
Total Expenditures	776,061	802,194	879,648	826,932	818,218	(8,714)	-1.05%
Revenues Over (Under Expenses)	(32,946)	76,338	(13,792)	(18,882)	4,542	23,424	-124.05%
<b>Other Financing Sources (Uses)</b>							
Capital Outlay	(106,291)	(214,158)	(149,377)	(42,000)	0	42,000	-100.00%
Transfer in	105,362	205,110	50,866	10,700	0	(10,700)	N/A
Total Other Activities	(929)	(9,048)	(98,511)	(31,300)	0	31,300	-100.00%
Net Increase (Decrease) in Working Capital	(33,875)	67,290	(112,303)	(50,182)	4,542		
Beginning Working Capital				205,403	155,221		
Ending Working Capital				155,221	159,763		

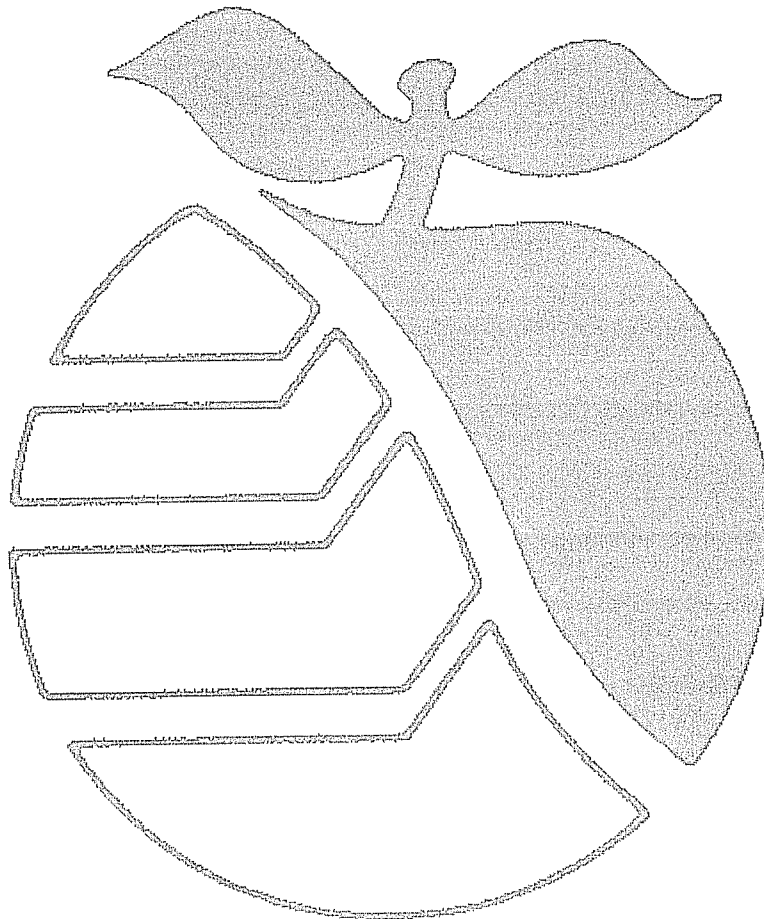
**Personnel Summary:**

Position	2006 Actual	2007 Actual	2008 Actual	2009 Budget	2010 Budget
Information Systems Director	1	1	1	1	1
Network Administrator	1	1	1	1	1
IS Support Technician	2	2	2	2	2
Total Personnel	4	4	4	4	4

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## Part 13. Fiduciary Funds



**Cemetery Endowment Fund**  
**Total 2010 Appropriations \$0**  
**0 FTE**

**Description**

This fund is used to account for trust amounts received through sales of graves, crypts and niches in the Cemetery Enterprise Fund (located in Part 4 of this document). At the point the existing City cemetery is at full capacity the interest earnings on the corpus of this fund will be used for the operation and maintenance of that facility, however the corpus may not be spent. Historically the interest earnings of this fund had been transferred to the Cemetery Enterprise Fund to offset operational costs but beginning with the 2007 Budget we elected to begin retaining all such earnings in the Endowment Fund in order to build a stronger reserve for future needs.

This fund is reported as a Permanent Fund for financial reporting purposes.

Fund Number	
Cemetery Endowment	610

	2006 Actual	2007 Actual	2008 Actual	2009 Budget	2010 Budget	Variance 2010 vs. 2009 Budget	
						Amount	Percent
<b>Revenues</b>							
Proceeds from Cemetery	11,909	11,896	11,092	12,000	11,363	(637)	-5.31%
Interest Income	33,663	36,051	24,895	16,000	20,393	4,393	27.46%
Miscellaneous	0	0	0	0	0	0	N/A
Total Revenues	45,572	47,947	35,987	28,000	31,756	3,756	13.41%
<b>Expenses</b>							
Transfer In (Out)	33,656	0	0	0	0	0	#DIV/0!
Total Expenses	33,656	0	0	0	0	0	#DIV/0!
Revenues over (under) expenses	11,916	47,947	35,987	28,000	31,756	3,756	13.41%
Beginning Working Capital	670,083	681,999	729,946	765,933	793,933	28,000	3.66%
Ending Working Capital	681,999	729,946	765,933	793,933	825,689	31,756	4.00%

<p style="text-align: center;"><b>Firemen's Pension Fund</b> <b>Total 2010 Appropriations \$449,600</b> <b>0 FTE</b></p>
--

**Description**

RCW 3.24.380 established the authority to create a Firemen's Pension Fund to meet the requirement of Washington State Law to provide pension and related benefits to fire department employees. The system is a closed pension system and membership is limited to firemen hired prior to March 1, 1970.

As of December 31, 2009, there were a total of 26 retirees or beneficiaries eligible for retirement benefits. Of these 26, the State of Washington pays the pension benefits of 6, the City pays the pension benefits of 4, and both the State and the City share the pension benefit costs of the remaining 16. Because the Firemen's Pension Fund is a closed group, no new members are permitted.

During 2008 an actuarial study of the system was conducted by Milliman, Inc. to determine the City's pension obligation as of January 1, 2008. At that time the net present value of the pension obligation was computed at \$1,854,000, but because actual net assets on hand on the same date were \$3,460,370 it was determined the system was overfunded by \$1,606,370. Consequently the City elected to discontinue providing any additional funding to the system (which has historically included 8-9% of annual property tax collections).

In recognition of the fact the Firemen's Pension Fund was overfunded, the Wenatchee City Council has opted to transfer a portion of the excess funds to the General Fund to pay for LEOFF 1 retired firefighter medical and long-term care costs. In 2009 this transfer amounted to \$358,000 and in 2010 it will be \$304,000. A similar transfer will occur annually until the excess funds are fully expended, which we estimate to be four full years and a partial fifth (2009 through 2013).

Currently the primary source of revenue of this fund is a two-percent tax the State of Washington collects on premiums of all fire insurance policies written. Some of this money is distributed to cities and fire districts that had a pension system for firemen before the state-wide LEOFF (law enforcement officers and firefighters) system was initiated on March 1, 1970 (see Long-Term Care – LEOFF 1 discussion in Part 8 of this document for related discussion). A particular city's share of these taxes is a function of the number of paid firefighters in the city as a percent of total paid firefighters in all the cities and fire districts that qualify to receive this tax. The City of Wenatchee's estimated share in 2010 is \$26,800.

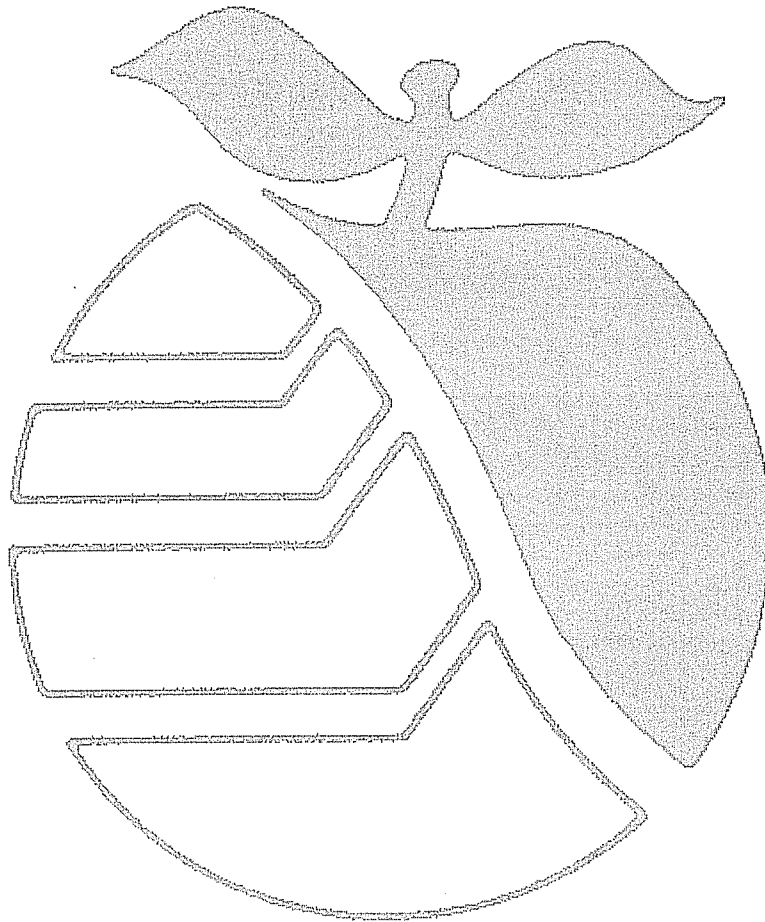
## Fund Number

Firemen's Pension

611

	2006 Actual	2007 Actual	2008 Actual	2009 Budget	2010 Budget	Variance 2010 vs. 2009 Budget	
						Amount	Percent
<b><u>Revenues</u></b>							
Property Taxes	425,557	451,541	0	0	0	0	#DIV/0!
Fire Insurance Premiums	25,199	27,284	28,372	28,000	26,800	(1,200)	-4.29%
Interest Income	130,842	161,320	95,242	35,200	30,000	(5,200)	-14.77%
Total Revenues	581,598	640,145	123,614	63,200	56,800	(6,400)	-10.13%
<b><u>Expenses</u></b>							
Retirement Benefits	115,122	154,457	139,074	147,400	143,800	(3,600)	-2.44%
Medical Benefits	0	0	0	0	0	0	#DIV/0!
General Administration	1,535	20	7,675	4,800	1,800	(3,000)	-62.50%
Total Expenses	116,657	154,477	146,749	152,200	145,600	(6,600)	-4.34%
Revenues over (under) expenses	464,941	485,668	(23,135)	(89,000)	(88,800)	200	-0.22%
<b><u>Other Financing Sources (Uses)</u></b>							
Transfer out - #001	0	0	0	(358,000)	(304,000)	54,000	-15.08%
Net Increase (Decrease) in Fund Balance	464,941	485,668	(23,135)	(447,000)	(392,800)	54,200	-12.13%
Beginning Working Capital	2,509,761	2,974,702	3,460,370	3,437,235	2,990,235	(447,000)	-13.00%
Ending Working Capital	2,974,702	3,460,370	3,437,235	2,990,235	2,597,435	(392,800)	-13.14%

## Part 14. Budget Ordinance





## **ORDINANCE NO. 2009-47**

**AN ORDINANCE,** adopting the Final Budget for the City of Wenatchee for the year 2010.

**WHEREAS,** the Mayor of the City of Wenatchee, Washington, completed and placed on file with the City Clerk a proposed budget and estimate of the amount of monies required to meet the public expense, bond retirement and interest, reserve funds and expenses of government of said City for the fiscal year ending December 31, 2010, and a notice was published that the City Council would meet on the 10<sup>th</sup> day of December, 2009, at the hour of 5:15 p.m., at the Council Chambers in the City Hall of said City for the purpose of making and presenting a budget for said fiscal year and giving taxpayers within the limits of said City an opportunity to be heard upon said budget; and

**WHEREAS,** the said City Council did meet at said time and place and did then consider the matter of said proposed budget; and

**WHEREAS,** the said proposed budget does not exceed the lawful limit of taxation allowed by law to be levied on the property within the City of Wenatchee for the purposes set forth in said budget being all necessary to carry on the government of said City for said year and being sufficient to meet the various needs of said City during said period.

**THE CITY COUNCIL OF THE CITY OF WENATCHEE DO ORDAIN** as follows:

## SECTION I

The budget for the City of Wenatchee, Washington, for the year 2010 is hereby adopted at the fund level in its final form and content as set forth in the document entitled "2010 City Budget", copies of which are on file in the Office of the Clerk.

## SECTION II


Estimated resources, including fund balances or working capital for each separate fund of the City of Wenatchee, and aggregate totals for all such funds combined, for the year 2010 are set forth in summary form below, and are hereby appropriated for expenditure at the fund level during the year 2010 as found in Exhibit "A".

## SECTION III

The City Clerk is directed to transmit a certified copy of the budget hereby adopted to the Division of Municipal Corporations in the Office of the State Auditor and to the Association of Washington Cities.

**PASSED BY THE CITY COUNCIL OF THE CITY OF WENATCHEE** at a regular meeting thereof this 10<sup>th</sup> day of December, 2009.

CITY OF WENATCHEE, a Municipal  
Corporation

By:   
DENNIS JOHNSON, Mayor

ATTEST:

By: Tammy L. Stanger  
~~BRENDA GUSKE, Interim City Clerk~~  
Tammy L. Stanger

APPROVED:

By: Steve D. Smith  
STEVE D. SMITH, City Attorney

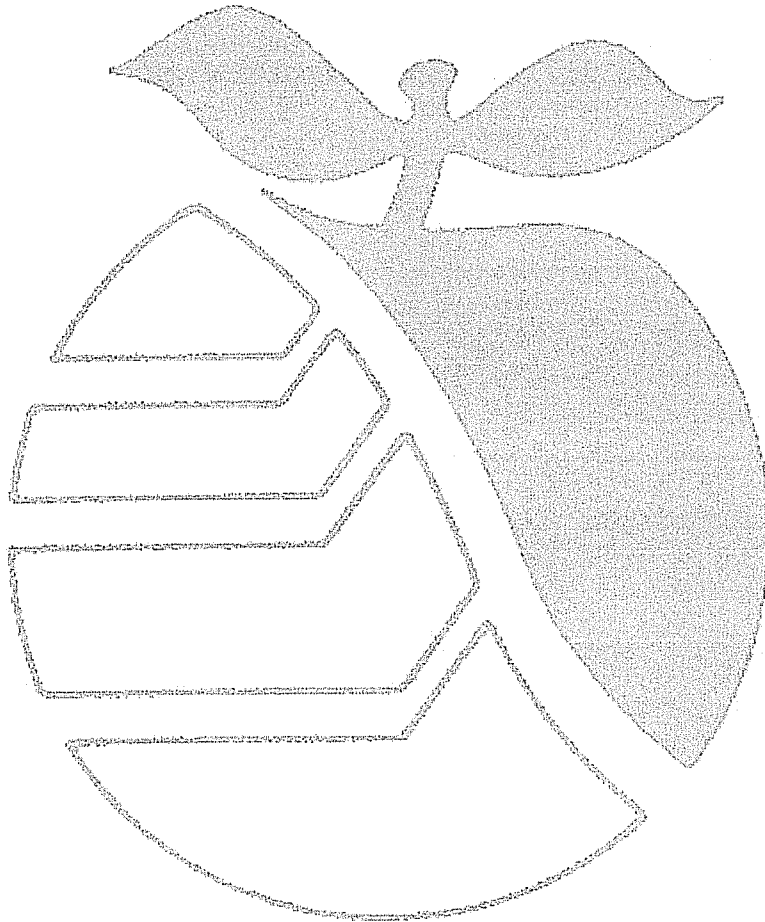
**CITY OF WENATCHEE, WA**  
**2010 Budget Ordinance**  
**Ordinance #2009-47**  
**Exhibit A**

12/7/2009

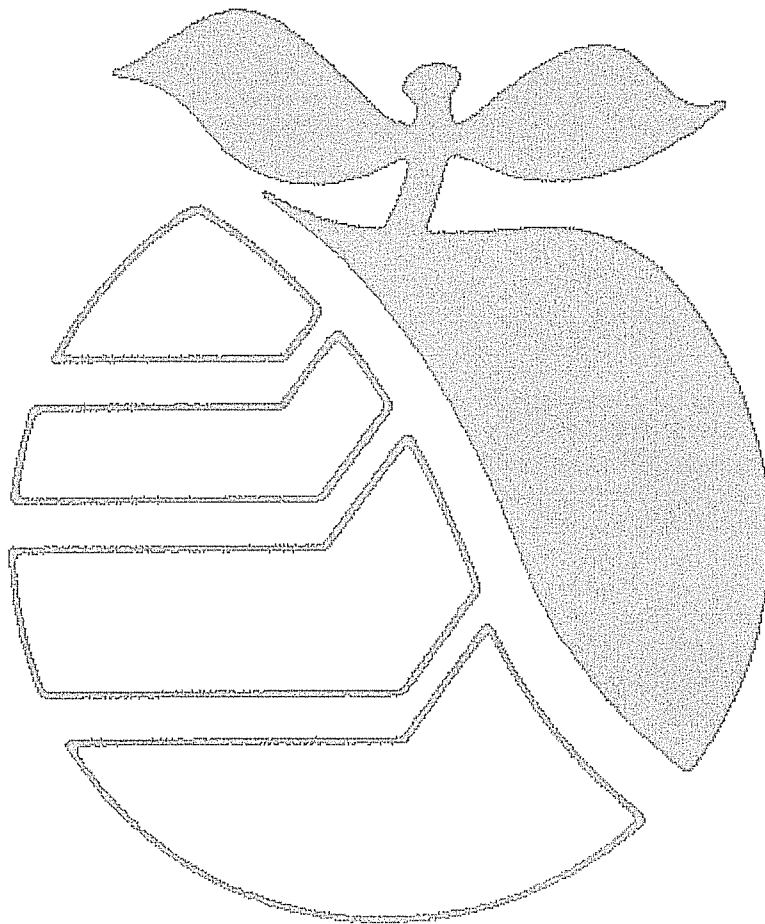
Annual Appropriation Funds	Fund No.	Estimated Beginning Fund Balance	Revenue	Total Sources	Appropriations	Estimated Ending Fund Balance
General	001	3,275,128	22,450,475	25,725,603	22,546,401	3,179,202
Public Art	101	55,368	21,000	76,368	21,000	55,368
Paths and Trails	103	5,917	1,015,149	1,021,066	1,012,249	8,817
Tourism Promotion Area	104	0	162,200	162,200	162,200	0
Hotel/Motel - Capital	105	0	201,100	201,100	201,100	0
Convention Center	106	609,519	800,001	1,409,520	1,079,700	329,820
Hotel/Motel - Tourism	107	17,532	352,600	370,132	351,600	18,532
Streets	108	439,973	1,832,113	2,272,086	1,997,313	274,773
Arterial Street	109	85,007	2,653,249	2,738,256	1,861,030	877,226
Long-Term Care - LEOFF 1	110	502,378	107,500	609,878	125,000	484,878
Street Overlay	111	511,560	250,900	762,460	242,920	519,540
Housing Rehabilitation	113	98,295	51,000	149,295	87,900	61,395
Community Center Operations	114	173,900	107,956	281,856	148,044	133,812
Health Insurance - LEOFF 1	116	466,701	536,000	1,002,701	530,000	472,701
Homeless Housing	117	574,371	454,500	1,028,871	553,052	475,819
Debt Service - UTGO Bonds	201	(14,339)	367,778	353,439	367,778	(14,339)
Debt Service - Councilmanic Bonds	205	51,540	1,018,442	1,069,982	1,016,442	53,540
R.E. Capital Projects	301	0	403,820	403,820	403,820	0
Riverside Drive LID	305	0	270,157	270,157	270,157	0
Foothills Trail	310	0	31,898	31,898	31,898	0
Event Center - CERB Grant	313	(983,320)	1,000,000	16,680	16,680	0
Cemetery Endowment	610	793,933	31,756	825,689	0	825,689
Firemen's Pension	611	2,990,235	56,800	3,047,035	449,600	2,597,435
Total Annual Appropriation Funds			34,176,394		33,475,884	

Working Capital Funds	Fund No.	Estimated Beginning Working Capital	Revenue	Total Sources	Appropriations	Estimated Ending Working Capital
Water/Sewer	401	3,309,718	16,395,125	19,704,843	12,776,257	6,928,586
Storm Drain	410	225,292	1,062,950	1,288,242	1,163,950	124,292
Regional Water	415	1,688,562	1,397,900	3,086,462	921,865	2,164,597
Solid Waste	420	214,428	1,854,600	2,069,028	1,837,790	231,238
Cemetery	430	54,879	215,230	270,109	229,536	40,573
City Services - Equip. O&M	501	241,690	807,002	1,048,692	819,006	229,686
City Services - Equip. Replace.	503	1,001,558	549,253	1,550,811	38,722	1,512,089
City Services - Facilities	504	144,343	350,242	494,585	341,042	153,543
Self - Insurance	502	1,639,489	864,000	2,503,489	864,000	1,639,489
Information Systems	505	155,221	822,760	977,981	818,218	159,763
Total Working Capital Funds			24,319,062		19,810,386	
Total of all Funds			58,495,456		53,286,270	

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## Part 15. Pay Plans



Compensation of City employees is comprised of a number of elements including wages and a variety of payroll taxes and employee benefits. Following is a brief description of the compensation components paid to City employees.

Labor Groups - The City of Wenatchee has four (4) labor groups:

- Management/Administrative – a non-represented, (non-union) group with employees in all City departments.
- AFSCME, the Association of Federal, State, County & Municipal Employees – this union has employees in all City departments.
- IAFF, the International Association of Firefighters – this union represents commissioned firefighters up through the rank of Battalion Chief. The Deputy Chief and the Fire Chief are in the Management/Administrative group.
- The Wenatchee Police Guild – this union represents commissioned police officers up through the rank of Sergeant. Captains and the Police Chief are in the Management/Administrative Group.
- Union groups have labor contracts with a maximum duration of three (3) years. Wages, benefits, hours of work and working conditions for the union groups may only be changed through a collective bargaining process that includes negotiation, mediation and/or binding-arbitration.
- The Management/Administrative group has historically received similar benefits and the same annual cost-of-living adjustments (COLAS) as the AFSMCE union.

Salary Schedules

- The Management/Administrative salary schedule has five step increases which apply on the employee's hiring anniversary (see page 15-2).
- The AFSCME union has four step increases which apply on the employee's hiring anniversary (see page 15-3).
- The IAFF union has fixed salaries based on rank. Firefighters receive step increases if they move to a new rank from Firefighter Recruit through Battalion Chief (see page 15-4).
- The Police Guild union has fixed salaries based on rank. Officers receive step increases if they move to a new rank from Police Recruit through Sergeant (see page 15-5).
- Historically all labor groups receive an annual cost of living adjustment.

Employee Benefits

While there are variations among the labor groups, employee benefits basically include:

- Mandatory retirement contributions from employees and the City for the Washington State Department of Retirement Systems.
- Optional participation for a Deferred Compensation retirement program. The City contributes up to a 2% match of employee contributions.
- Paid Leave including sick leave, vacation, and paid holidays.
- Medical, dental, vision health insurance (see pages 15-6 through 15-11 for calendar year 2010 details).
- Employee Assistance Program for relational, legal and financial counseling.
- Flexible Spending Account for pre-tax savings on healthcare and childcare.
- Term life insurance and accidental death and dismemberment insurance paid for by the city. There are also supplemental plans which employees can self-pay.
- The City of Wenatchee Employment Handbook and labor contracts go into greater detail about employee benefits which include a listing of protections through Federal and State laws, for example, the Family and Medical Leave Act (FMLA) and Health Care Continuation Coverage (COBRA).

**City of Wenatchee**  
**Management/Administrative Group Pay Plan**  
**January 2010 COLA = 0.0%**

01/01/10

POSITION	Step 1	1 year Step 2 105%	1 year Step 3 105%	1 year Step 4 105%	1 year Step 5 106%
Police Chief	7,499.70	7,874.69	8,268.42	8,681.84	9,202.76
Public Works Director - Engineering	7,038.00	7,389.90	7,759.40	8,147.37	8,636.21
Public Works Director - Operations	7,038.00	7,389.90	7,759.40	8,147.37	8,636.21
Finance Director	6,866.91	7,210.26	7,570.77	7,949.31	8,426.27
Executive Services Director	6,866.91	7,210.26	7,570.77	7,949.31	8,426.27
Fire Chief	6,732.90	7,069.55	7,423.03	7,794.18	8,261.83
City Engineer	6,624.31	6,955.52	7,303.30	7,668.46	8,128.57
Police Captain	6,376.77	6,695.61	7,030.39	7,381.91	7,824.82
Museum Director	6,109.62	6,415.11	6,735.86	7,072.65	7,497.01
Parks & Recreation Director	6,109.62	6,415.11	6,735.86	7,072.65	7,497.01
Information Systems Director	5,987.81	6,287.20	6,601.56	6,931.64	7,347.53
Assistant Fire Chief	5,987.81	6,287.20	6,601.56	6,931.64	7,347.53
Development Review Engineer	5,987.81	6,287.20	6,601.56	6,931.64	7,347.53
Assistant City Engineer	5,486.39	5,760.71	6,048.74	6,351.18	6,732.25
Environmental Manager	5,486.39	5,760.71	6,048.74	6,351.18	6,732.25
Planning Manager	5,486.39	5,760.71	6,048.74	6,351.18	6,732.25
Public Works Superintendent	5,486.39	5,760.71	6,048.74	6,351.18	6,732.25
Network Administrator	5,483.69	5,757.87	6,045.77	6,348.06	6,728.94
Support & Technical Services Manager	5,107.46	5,362.83	5,630.97	5,912.52	6,267.27
Wastewater Supervisor	5,107.46	5,362.83	5,630.97	5,912.52	6,267.27
Accounting Supervisor	5,107.46	5,362.83	5,630.97	5,912.52	6,267.27
Inspection Services Manager	5,055.81	5,308.61	5,574.04	5,852.74	6,203.90
Human Resources Manager	5,055.81	5,308.61	5,574.04	5,852.74	6,203.90
Recreation Supervisor	4,894.78	5,139.52	5,396.49	5,666.32	6,006.30
Water Distribution Supervisor	4,652.85	4,885.49	5,129.77	5,386.26	5,709.43
Street Maintenance Supervisor	4,652.85	4,885.49	5,129.77	5,386.26	5,709.43
Fleet & Facilities Supervisor	4,652.85	4,885.49	5,129.77	5,386.26	5,709.43
Parks Maintenance Supervisor	4,387.80	4,607.19	4,837.55	5,079.42	5,384.19
City Clerk	4,387.80	4,607.19	4,837.55	5,079.42	5,384.19
Contracts Coordinator	4,387.80	4,607.19	4,837.55	5,079.42	5,384.19
Staff Accountant	4,387.80	4,607.19	4,837.55	5,079.42	5,384.19
Associate Planner	4,192.04	4,401.64	4,621.72	4,852.81	5,143.98
Plans Examiner	4,192.04	4,401.64	4,621.72	4,852.81	5,143.98
Combination Inspector	4,192.04	4,401.64	4,621.72	4,852.81	5,143.98
Administrative Assistant to Police Chief	3,786.98	3,976.32	4,175.14	4,383.90	4,646.93
Administrative Assistant to Fire Chief	3,786.98	3,976.32	4,175.14	4,383.90	4,646.93
Administrative Assistant/Public Works	3,786.98	3,976.32	4,175.14	4,383.90	4,663.73 (1)
Administrative Assistant/Community Development	3,786.98	3,976.32	4,175.14	4,383.90	4,646.93 (2)
Code Compliance Inspector	3,786.98	3,976.32	4,175.14	4,383.90	4,646.93
IS Support Technician II	3,786.98	3,976.32	4,175.14	4,383.90	4,646.93
Community Center Coordinator/Housing Rehab.	3,786.98	3,976.32	4,175.14	4,383.90	4,646.93
Assistant Planner	3,786.98	3,976.32	4,175.14	4,383.90	4,646.93
IS Support Technician I	3,218.88	3,379.83	3,548.82	3,726.26	3,949.83

(1) Individual in this position receives more than regular Step 5 as they did not receive the 106% Step 5 increase 1/1/97 as their longevity pay (which was eliminated) was greater than the 1% increase. As this position changes due to termination/retirement salary will be adjusted back to the regular Step 5.

(2) Current employee works .62%/month. Actual salary is adjusted to reflect part-time



**CITY OF WENATCHEE  
PUBLIC WORKS (AFSCME)  
2% COLA effective 1/1/10**

	STEP 1	2 YEAR STEP 2 105%	3 YEAR STEP 3 105%	4 YEAR STEP 4 105%
Associate Engineer	4,585.10	4,814.36	5,055.06	5,307.83
Engineer Technician	4,357.82	4,575.70	4,804.50	5,044.72
Regional Water Operator	4,135.42	4,342.19	4,559.29	4,787.27
Maintenance Worker/WWTP	4,135.42	4,342.19	4,559.29	4,787.27
Museum Curator	4,083.04	4,287.18	4,501.55	4,726.63
Traffic Light Technician	4,083.04	4,287.18	4,501.55	4,726.63
Museum Projects Coordinator	4,075.26	4,279.02	4,492.97	4,717.62
Quality Control Technician	4,069.19	4,272.65	4,486.28	4,710.60
Environmental Technician	4,069.19	4,272.65	4,486.28	4,710.60
Plan Review Specialist	4,062.08	4,265.18	4,478.45	4,702.38
WWTP Operator	4,025.76	4,227.05	4,438.40	4,660.33
WWTP Operator/Collections	4,025.76	4,227.05	4,438.40	4,660.33
Regional Operator/Utility Worker/Water	4,025.76	4,227.05	4,438.40	4,660.33
Lab Technician	3,993.90	4,193.60	4,403.27	4,623.44
Facility Maintenance Technician-HVAC Specialist	3,993.90	4,193.60	4,403.27	4,623.44
Mechanic	3,919.22	4,115.18	4,320.94	4,536.98
Facility Maintenance Technician-Generalist	3,783.54	3,972.71	4,171.35	4,379.91
Exhibits Coordinator	3,721.23	3,907.29	4,102.66	4,307.79
Recreation Coordinator	3,721.23	3,907.29	4,102.66	4,307.79
Utility Worker/Water	3,680.19	3,864.20	4,057.42	4,260.28
Utility Worker/Streets	3,680.19	3,864.20	4,057.42	4,260.28
Utility Worker/Street-Storm	3,680.19	3,864.20	4,057.42	4,260.28
Utility Worker/Water-Storm	3,680.19	3,864.20	4,057.42	4,260.28
Water Service Specialist	3,680.19	3,864.20	4,057.42	4,260.28
Utility Worker/Parks	3,604.34	3,784.56	3,973.79	4,172.48
Cemetery Groundskeeper	3,604.34	3,784.56	3,973.79	4,172.48
Museum P.R. Coordinator	3,604.34	3,784.56	3,973.79	4,172.48
Trustie Coordinator	3,604.34	3,784.56	3,973.79	4,172.48
Permit Specialist	3,545.46	3,722.73	3,908.87	4,104.31
Accounting Technician	3,505.23	3,680.49	3,864.52	4,057.74
Fleet & Facilities Specialist	3,505.23	3,680.49	3,864.52	4,057.74
Police Records Specialist	3,331.04	3,497.59	3,672.47	3,856.09
Museum Secretary	3,176.09	3,334.89	3,501.64	3,676.72
Fire & Rescue Secretary	3,176.09	3,334.89	3,501.64	3,676.72
Parks & Recreation Secretary	3,176.09	3,334.89	3,501.64	3,676.72
Utility Billing Specialist	3,176.09	3,334.89	3,501.64	3,676.72
Traffic Bureau Clerk	3,146.33	3,303.65	3,468.83	3,642.26
Police Records Specialist II	3,042.87	3,195.01	3,354.76	3,522.49
Public Works Receptionist	2,968.21	3,116.63	3,272.45	3,436.07
Parking Control Officer	2,968.21	3,116.63	3,272.45	3,436.07
Customer Service Representative	2,734.30	2,871.03	3,014.58	3,165.31

At the end of the 5th year of employment the employee receives an additional 1% longevity bonus

At the end of the 10th year of employment the employee receives an attitional 1% longevity bonus  
(for a total longevity bonus of 2%).

At the end of the 15th year of employment the employee receives an attitional 1% longevity bonus  
(for a total longevity bonus of 3%).

**International Association of Firefighters (IAFF) Local #453  
(3.0% COLA effective January 1, 2010)**

	<u>Monthly Rate</u>	<u>% of Base</u>
Battalion Chief	\$6060.02	120
1 <sup>st</sup> Step Battalion Chief	5,807.52	115
Captain/Lieutenant	5,555.02	110
1 <sup>st</sup> Step Captain/Lieutenant	5,454.02	108
Firefighter Engineer (Alarm Sup./Sec./Mechanic)	5,302.52	105
Firefighter (1 <sup>st</sup> Class)	5,050.02	100
<hr/>		
Firefighter (2 <sup>nd</sup> Class)	4,292.52	85
Firefighter (3 <sup>rd</sup> Class)	4,040.02	80
Firefighter (Recruit)	3,787.52	75

**Wenatchee Police Guild Wages  
2% COLA Effective January 1, 2010**

	<u>Monthly Rate</u>	<u>Percent of Base</u>
Sergeant	\$6,555.71	115
Corporal	\$6,128.17	107.5
Police Officer, First Class	\$5,700.62	100
<hr/>		
Police Officer, Second Class	\$5,130.56	90
Police Officer, Third Class	\$4,845.53	85
Police Officer, Recruit	\$4,389.48	77

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1/25/2010

CITY OF WENATCHEE, WA  
2010 Health Insurance Premiums

MGMT/NONREP - AWC Medical Plan: Health First									
Monthly 2010 Medical Premiums			Annual 2010 Medical Premiums						
Ee only	Ee + Sp	Ee+Sp+1dep	Ee+Sp+2+dep	Ee+1dep	Ee+2+dep	Ee only	Ee + Sp	Ee+Sp+1dep	Ee+Sp+2+dep
Medical	514.46	1,030.88	1,282.53	1,490.29	766.11	6,173.52	12,370.56	15,390.36	17,883.48
Dental	52.40	104.49	163.12	163.12	111.03	628.80	1,253.88	1,957.44	1,957.44
Vision	15.67	15.67	15.67	15.67	15.67	188.04	188.04	188.04	188.04
Total Cost	582.53	1,151.04	1,461.32	1,669.08	892.81	6,990.36	13,812.48	17,535.84	20,028.96
City Pays	582.53	1,008.91	1,241.62	1,397.44	815.24	6,990.36	12,106.92	14,899.44	16,769.28
Employee Pays	0.00	142.13	219.70	271.64	77.57	0.00	1,705.56	2,636.40	3,259.68
City pays:	100.0%	for employee medical, dental and vision							
	75.0%	for dependent medical, dental and vision							

2010 Premium Elements			
	Medical	Dental	Vision
Employee	514.46	52.40	15.67
Spouse	516.42	52.09	0.00
1st dependent	251.65	58.63	0.00
2+ dependents	207.76	0.00	0.00

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CITY OF WENATCHEE, WA  
2010 Health Insurance Premiums

1/25/2010

MGMT/NONREP Half Time - AWC Medical Plan: Health First									
Monthly 2010 Medical Premiums									
Ee only		Ee + Sp		Ee+Sp+1dep		Ee+Sp+2+dep		Annual 2010 Medical Premiums	
								Ee only	Ee + Sp
								Ee+Sp+1dep	Ee+Sp+2+dep
								Ee+1dep	Ee+2+dep
Medical	514.46	1,030.88	1,282.53	1,490.29	1,669.08	1,838.87	1,993.32	6,173.52	12,370.56
Dental	52.40	104.49	163.12	163.12	15.67	15.67	111.03	628.80	1,253.88
Vision	15.67	15.67	15.67	15.67	15.67	15.67	15.67	188.04	188.04
Total Cost	582.53	1,151.04	1,461.32	1,669.08	1,699.42	1,869.21	2,019.02	6,990.36	13,812.48
City Pays	291.27	504.46	620.82	698.73	840.50	970.35	1,100.57	3,495.24	6,053.52
Employee Pays	291.26	646.58	840.50	970.35	828.52	898.86	1,009.45	3,495.12	7,758.96
City pays: 50.0% for employee medical, dental and vision 37.5% for dependent medical, dental and vision									
Assumes employees work 20-hours per week (City therefore pays 50% of normal contribution)									

2010 Premium Elements			
	Medical	Dental	Vision
Employee	514.46	52.40	15.67
Spouse	516.42	52.09	0.00
1st dependent	251.65	58.63	0.00
2+ dependents	207.76	0.00	0.00

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1/25/2010

CITY OF WENATCHEE, WA  
2010 Health Insurance Premiums

AFSCME - AWC Medical Plan: B		Monthly 2010 Medical Premiums						Annual 2010 Medical Premiums					
		Ee only	Ee + Sp	Ee+Sp+1dep	Ee+Sp+2+dep	Ee+1dep	Ee+2+dep	Ee only	Ee + Sp	Ee+Sp+1dep	Ee+Sp+2+dep	Ee+1dep	Ee+2+dep
Medical	555.93	1,113.82	1,373.23	1,597.33	1,815.34	1,039.44		6,671.16	13,365.84	16,478.76	19,167.96	9,784.08	12,473.28
Dental	52.40	104.49	163.12	163.12	111.03	111.03		628.80	1,253.88	1,957.44	1,957.44	1,332.36	1,332.36
Vision	15.67	15.67	15.67	15.67	15.67	15.67		188.04	188.04	188.04	188.04	188.04	188.04
Total Cost	624.00	1,233.98	1,552.02	1,776.12	1,942.04	1,166.14		7,488.00	14,807.76	18,624.24	21,313.44	11,304.48	13,993.68
City Pays	624.00	1,081.49	1,320.02	1,488.09	862.53	1,030.61		7,488.00	12,977.88	15,840.24	17,857.08	10,350.36	12,367.32
Employee Pays	0.00	152.49	232.00	288.03	79.51	135.53		0.00	1,829.88	2,784.00	3,456.36	954.12	1,626.36
City pays:		100.0%	for employee medical, dental and vision										
		75.0%	for dependent medical, dental and vision										

2010 Premium Elements			
	Medical	Dental	Vision
Employee	555.93	52.40	15.67
Spouse	557.89	52.09	0.00
1st dependent	259.41	58.63	0.00
2+ dependents	224.10	0.00	0.00

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1/25/2010

CITY OF WENATCHEE, WA  
2010 Health Insurance Premiums

AFSCME Half Time - AWC Medical Plan: B									
Monthly 2010 Medical Premiums									
	Ee only	Ee + Sp	Ee+Sp+1dep	Ee+Sp+2+dep	Ee+1dep	Ee+2+dep	Annual 2010 Medical Premiums		
Medical	555.93	1,113.82	1,373.23	1,597.33	815.34	1,039.44	Ee only	Ee + Sp	Ee+Sp+1dep
Dental	52.40	104.49	163.12	163.12	111.03	111.03	6,671.16	13,365.84	19,167.96
Vision	15.67	15.67	15.67	15.67	15.67	15.67	628.80	1,253.88	1,957.44
Total Cost	624.00	1,233.98	1,582.02	1,776.12	942.04	1,166.14	188.04	188.04	188.04
City Pays	312.00	540.74	660.01	744.05	431.27	515.30	7,488.00	14,807.76	21,313.44
Employee Pays	312.00	693.24	892.01	1,032.07	510.77	650.84	18,624.24	37,440.00	51,752.24
City pays:							10,704.12	12,384.84	6,129.24
City pays:							7,920.12	8,928.60	5,175.24
City pays:							11,304.48	11,304.48	13,993.68
City pays:							12,384.84	12,384.84	7,810.08

Assumes employees work 20-hours per week  
(City therefore pays 50% of normal contribution)

2010 Premium Elements			
	Medical	Dental	Vision
Employee	555.93	52.40	15.67
Spouse	557.89	52.09	0.00
1st dependent	259.41	58.63	0.00
2+ dependents	224.10	0.00	0.00

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CITY OF WENATCHEE, WA  
2010 Health Insurance Premiums

FIRE UNION - LEOFF 2 - AWC Medical Plan: B									
Monthly 2010 Medical Premiums			Annual 2010 Medical Premiums						
Ee only	Ee + Sp	Ee+Sp+1dep	Ee+Sp+2+dep	Ee+1dep	Ee+2+dep	Ee only	Ee + Sp	Ee+Sp+1dep	Ee+Sp+2+dep
Medical	555.93	1,113.82	1,373.23	1,597.33	1,039.44	6,671.16	13,365.84	16,478.76	19,167.96
Dental	52.40	104.49	163.12	163.12	111.03	628.80	1,253.88	1,957.44	1,957.44
Vision	15.67	15.67	15.67	15.67	15.67	188.04	188.04	188.04	188.04
Total Cost	624.00	1,233.98	1,552.02	1,776.12	1,166.14	7,488.00	14,807.76	18,624.24	21,313.44
City Pays	624.00	1,172.98	1,459.22	1,660.91	1,111.93	7,488.00	14,075.76	17,510.64	19,930.92
Employee Pays	0.00	61.00	92.80	115.21	31.80	0.00	732.00	1,113.60	1,382.52
City pays:	100.0%	for employee medical, dental and vision				Employee Pays	0.00	732.00	1,382.52
	90.0%	for dependent medical, dental and vision							650.52

2010 Premium Elements			
	Medical	Dental	Vision
Employee	555.93	52.40	15.67
Spouse	557.89	52.09	0.00
1st dependent	259.41	58.63	0.00
2+ dependents	224.10	0.00	0.00



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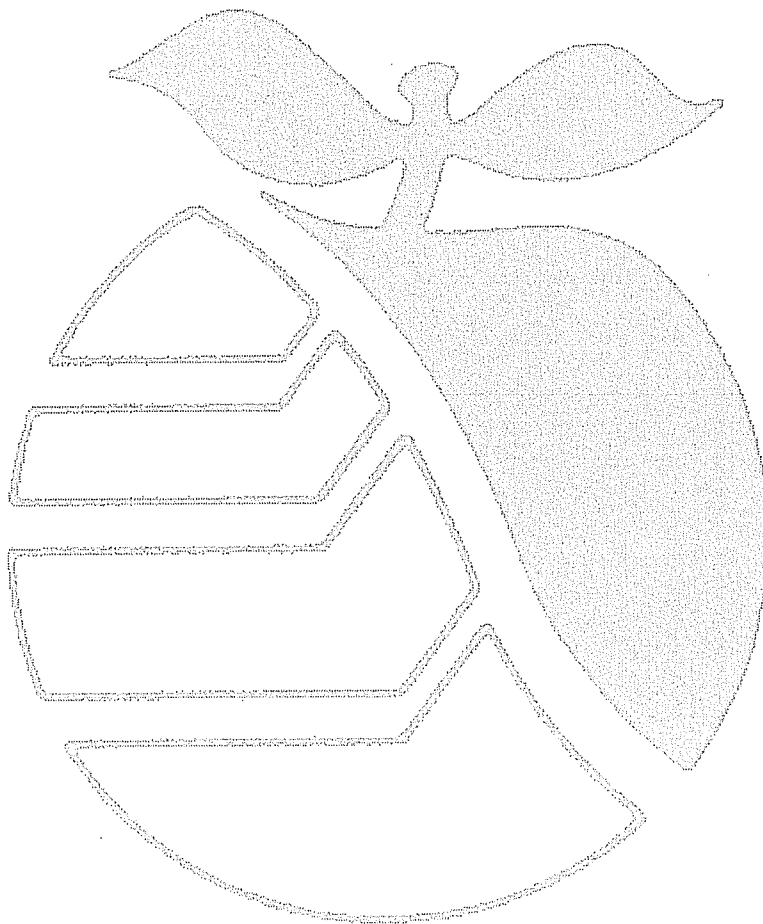
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CITY OF WENATCHEE, WA  
2010 Health Insurance Premiums

POLICE GUILD - LEOFF 2 - AWC Medical Plan: B									
Monthly 2010 Medical Premiums									
	Ee only	Ee + Sp	Ee+Sp+1dep	Ee+Sp+2+dep	Ee+1dep	Ee+2+dep	Annual 2010 Medical Premiums		
Medical	555.93	1,113.82	1,373.23	1,597.33	815.34	1,039.44	Ee only	Ee + Sp	Ee+Sp+1dep
Dental	52.40	104.49	163.12	163.12	111.03	111.03	6,671.16	13,365.84	16,478.76
Vision	15.67	15.67	15.67	15.67	15.67	15.67	628.80	1,253.88	1,957.44
Total Cost	624.00	1,233.98	1,552.02	1,776.12	942.04	1,166.14	188.04	188.04	188.04
City Pays	624.00	1,172.98	1,459.22	1,660.91	910.24	1,111.93	7,488.00	14,807.76	18,624.24
Employee Pays	0.00	61.00	92.80	115.21	31.80	54.21			
City pays:	100.0%	for employee medical, dental and vision							
	90.0%	for dependent medical, dental and vision							
Employee Pays	0.00	732.00	1,113.60	1,382.52	381.60	650.52			

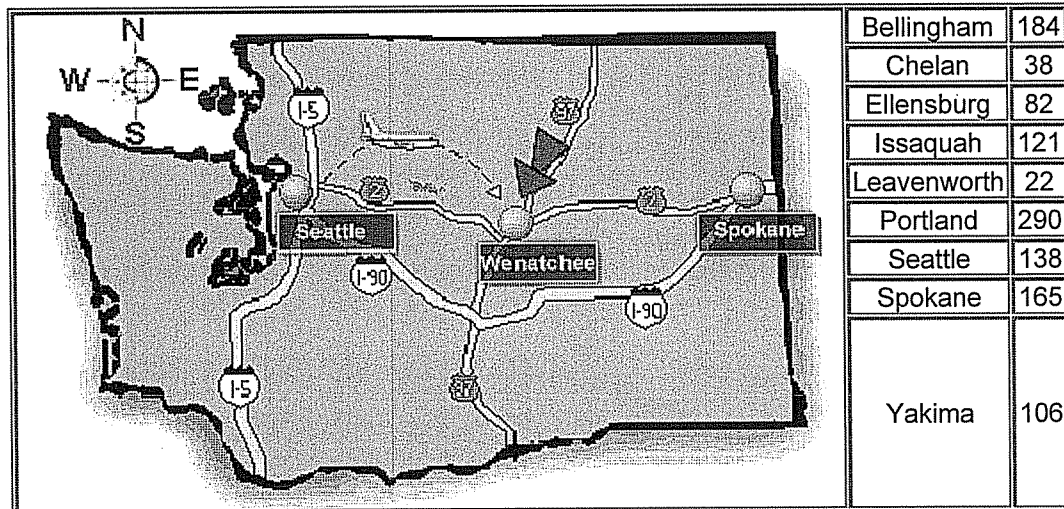
2010 Premium Elements			
	Medical	Dental	Vision
Employee	555.93	52.40	15.67
Spouse	557.89	52.09	0.00
1st dependent	259.41	58.63	0.00
2+ dependents	224.10	0.00	0.00

## **Part 16. Statistical Information**



## ABOUT THE CITY OF WENATCHEE

The City of Wenatchee was founded in 1892. Local Indian lore claims that Wenatchee's name comes from a poetic description of the area, *Wa-Nat-Chee*, meaning *robe of the rainbow*. It is located in Chelan County and has become the population and trade center for North Central Washington. North Central Washington is connected to Interstate 90 via U.S. 97 over Blewett Pass or via U.S. 28 and 281 through Quincy intersecting with George at Interstate 90. Destination, in miles, from Wenatchee to some of the other cities in the state is as follows:



A diverse economy is the key factor in maintaining steady population growth and high quality of life. Agriculture, health care, retail trade services and tourism are the main sources of revenue for the area. Agriculture is the largest and most influential of these on Wenatchee's economy.

Located 651 feet above sea level, the Wenatchee Valley is surrounded by mountains reaching peak elevations of 8,000 feet. The city itself has a population of 30,810 while the Greater Wenatchee Area boasts a population of approximately 70,000. This Area includes the cities of Entiat and Chelan to the north along the Columbia River; Cashmere and Leavenworth to the west; and East Wenatchee, which is located on the east side of the Columbia River.

Protected by the neighboring Cascade Mountain Range, the Wenatchee Valley features a 180-day growing season. The climate is dry with abundant sunshine and four distinct seasons. Annual rainfall averages approximately 9 inches. With the aid of irrigation, however, lush vegetation is able to flourish from spring to summer. Summer temperatures typically climb into the 90's by mid-July with a few 100-degree days in August. The winter season typically has temperatures of 25-35 degrees. Average annual snowfall is 37 inches.

### Economy

The apple crop is the primary source of agricultural revenue for the Wenatchee valley. Other important fruit crops include cherries, pears and peaches. Wenatchee is an ideal location for new or expanding ag-related businesses. There is an existing base of skilled workers, fruit processors, packagers and support industries. The **Washington State University Tree Fruit Research Center** and the **Washington Apple Commission** are also based here.

Other major employers, other than agriculture, are medical services, manufacturers, utilities and government agencies. A dependable labor force, low utility cost, and easy availability of natural resources combine to make the area attractive to a wide range of businesses and organizations.

The following table reflects the average employment by sector:

Industry	Percentage
Agriculture	13.50%
Mining	*
Utilities	*
Construction	6.20%
Manufacturing	6.60%
Wholesale Trade/Retail Trade	14.00%
Transportation & Warehousing	1.90%
Information	1.30%
Finance & Insurance, Real Estate	3.50%
Professional & Technical Services	2.40%
Management of Companies & Enterprises	0.20%
Administrative & Waste Services	1.40%
Educational Services	0.10%
Health Care & Social Assistance	18.60%
Arts/Entertainment/Recreation	0.70%
Accommodation & Food Service	4.30%
Other Services (Except Public Admin)	1.60%
Government	23.60%
Not Elsewhere Classified	0.10%

\* Not provided so as not to disclose the identity of Employer

Source: Office of Financial Management  
(update 2008)

### **Downtown**

Our historic downtown is the regional center for specialty stores, restaurants, and cultural activities. The downtown area has a growing workforce of 3,500 according to the Wenatchee Downtown Association. The Port of Chelan County conducted a survey of visitors (June 2000) to Chelan County and found that 29% of the visitors were 35 - 54 (average age was 34.5); the average income was \$72,244 and 83% of the visitors to Wenatchee were from the Seattle metropolitan area. The Wenatchee Valley Museum and Cultural Center, Wenatchee Children's Discovery Museum and the Riverside Playhouse call downtown home. The Wenatchee Downtown Association, an economic development organization, is the support organization for the downtown community. The WDA plans an annual calendar of events such as Washington Harvest Festival, Finish Line Fest and Holiday Community Tree Lighting Ceremony. For more information regarding the WDA and services they provide, please visit their web-site at [www.wendowntown.org](http://www.wendowntown.org).

### **Recreation**

The Wenatchee Valley has much to offer in the way of recreational opportunities for residents of the North Central Washington area. The valley's four distinct seasons and sunny climate encourage residents and visitors alike to get out and enjoy the numerous outdoor recreational opportunities.

The Columbia River attracts boaters, water-skiers, and wind surfers. Anglers seek trophy salmon, sturgeon, and walleye from the Columbia River, as well as steelhead, trout, whitefish and other game fish from the Wenatchee, Entiat and Methow river systems. Golfing can be enjoyed on any of the region's eight golf courses, including Desert Canyon Golf Resort, which has twice hosted the PGA Northwest Open. Wenatchee also has beautiful city parks that offer a variety of

activities. **Ohme Gardens**, a nine-acre garden just outside the city limits, offers visitors shady forest groves, waterfalls, rustic shelters and stone formations rising from rich greenery.

Winter sports include downhill and cross-country skiing, snowmobiling, ice-climbing and ice fishing. **Mission Ridge**, located 12 miles from Wenatchee, offers 30 major ski runs that are spread over 12,000 acres. Crisp, cold winters and dry powdery snow conditions create some of the best downhill ski conditions in the Northwest.

The following pages provide additional statistical information related to the City of Wenatchee.

### CITY OF WENATCHEE, WA COMMUNITY PROFILE

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Date of Incorporation	1892
Form of Government	Mayor/Council
Number of Employees (excluding Police & Fire)	105.82
Population	30,960
Area in Square Miles	7.717
Area in Acres	4939
City of Wenatchee Facilities & Services:	
Miles of Streets	116
Culture and Recreation:	
Parks	13
Park Acreage	80.12
Swimming Pools	1
Wading Pools	4
Splash Pad	1
Picnic Shelters	3
Community Center	1
Museums	1
Square footage of exhibit space	50,000
Fire Protection:	
Number of Stations	2
Number of Firefighters	32
Total Personnel	34
Police Protection:	
Number of Stations	1
Number of Police Officers	41
Total Personnel	52
Sewerage System:	
Miles of sanitary sewers	116
Miles of storm sewers	125
Number of residential customers	8,485
Number of commercial customers	1,449
Daily average treatment in gallons	3.1 million
Maximum daily capacity of treatment (gal)	5.5 million

## Water System:

Miles of water mains	106
Number of residential customers	6,228
Number of commercial customers	1,374
Number of fire hydrants	938
Daily average City consumption (in gallons)	4.70 million
Daily average Regional Water consumption (in gallons)	11 million
Total Chlorine (pounds per day)	37
Maximum daily capacity of plant (in gallons)	22.5 million

## Facilities and Services not included in reporting entity:

## Education:

Number of elementary schools	7
Number of middle schools	3
Number of high schools	1
Average student population	7,856
Number of community colleges (Wenatchee Campus)	1
Average district community college enrollment (per quarter)	3,150

## Hospitals/Clinics:

Number of hospitals	2
Number of Hospital Beds	228
Number of clinics	3

## Public Facility District:

1 Event arena with 4,300 fixed seats and two sheets of ice

**CITY OF WENATCHEE  
Demographic Statistics  
Previous Ten Fiscal Years**

Fiscal Year	(1) Population	Per Capita Income (2)	Median Household Income (3)	School Enrollment (4)	Unemployment Rate (5)
1999	25,620	\$ 23,823	\$ 37,316	7,208	8.60%
2000	27,856	\$ 25,106	\$ 39,128	7,389	6.40%
2001	27,930	\$ 25,013	\$ 40,539	7,283	7.80%
2002	28,270	\$ 26,938	\$ 41,270	7,272	8.30%
2003	28,470	\$ 27,311	\$ 41,792	7,357	8.20%
2004	28,760	\$ 28,815	\$ 42,641	7,451	6.70%
2005	29,320	\$ 29,657	\$ 43,962	7,422	5.80%
2006	29,920	\$ 31,349	\$ 45,686	7,480	6.10%
2007	30,270	\$ 32,714	\$ 44,166	7,671	5.80%
2008	30,810	NA	\$ 42,961	7,728	5.10%
2009	30,960	NA	\$ 41,747	7,856	9.50%

*Data Sources*

- (1) Bureau of the Census.
- (2) Bureau of Economic Analysis - Chelan County
- (3) WA State Office of Financial Management - Chelan County
- (4) Office of Superintendent of Public Instruction
- (5) Washington State Employment Security Department

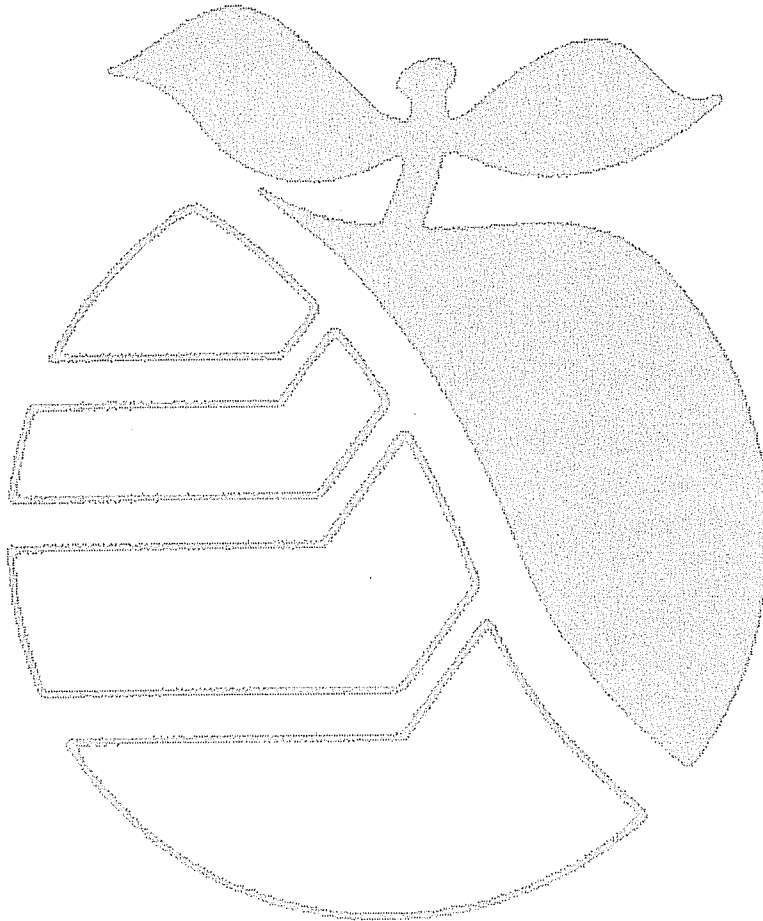
**City of Wenatchee  
Assessed Value of Taxable Property**

<b>Fiscal Year</b>	<b>Estimated Assessed Value</b>
1999 for 2000 tax collections	1,294,719,725
2000 for 2001 tax collections	1,314,504,217
2001 for 2002 tax collections	1,359,914,615
2002 for 2003 tax collections	1,437,602,975
2003 for 2004 tax collections	1,458,556,964
2004 for 2005 tax collections	1,497,299,979
2005 for 2006 tax collections	1,589,277,760
2006 for 2007 tax collections	1,848,530,303
2007 for 2008 tax collections	1,894,796,901
2008 for 2009 tax collections	1,980,222,931
2009 for 2010 tax collections(preliminary)	2,213,065,075

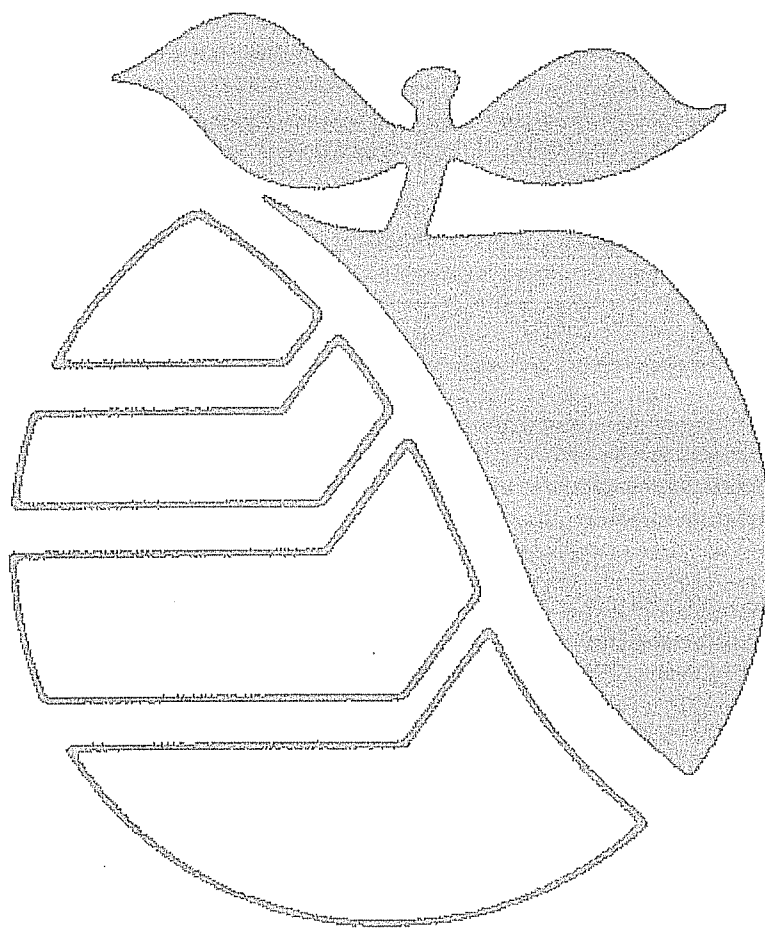
*Source: Chelan County Assessor's Office*



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## Part 17. Glossary



**Account** - A record of additions, deletions, and balances of individual assets, liabilities, equity, revenues and expenses.

**Accrual Basis** - Refers to the accounting recognition of revenues and expenditures on the basis of when they are incurred or committed, rather than when they are made or received. All funds except the governmental funds are accounted on this basis and the governmental funds are accounted on a modified accrual basis.

**Agency Fund** - A governmental accounting classification used to describe those situations where one jurisdiction is acting on behalf of another.

**Appropriation** - The legal spending level authorized by an ordinance of the City Commission. Spending should not exceed this level with prior approval of the Commission.

**Assessed Valuation** - The value assigned to properties within the City which is used in computing the property taxes to be paid by property owners.

**BARS** - The Budgeting, Accounting and Reporting System for accounting systems prescribed by the Washington State Auditor's Office.

**Benefits** - The City provided employee benefits such as social security insurance, retirement, worker's compensation, life insurance, medical insurance and dental insurance.

**Budget** - A financial plan of operations for the City. It is a plan, not a list of accounts and amounts.

**Capital Project** - A single project within the Capital Financing Plan.

**Costs Allocation** - The assignment of applicable costs incurred by a central services department (like Finance or Human Resources) to a fund based on the benefit to the fund being assessed.

**Councilmanic Bonds** - Also referred to as non-voted or limited tax general obligation (LTGO) bonds, which can be authorized by the City Council in an amount up to 1.50 percent of the assessed valuation of the City.

**Current Expense Fund** - See "General Fund"

**Debt Service** - Interest and principle payments on debt.

**Debt Service Funds** - A type of fund that accounts for the payment of debt service on general obligations of the City.

**Designated Fund Balance** - A portion of fund balance, which has been designated by past Commission action as designated for a specific purpose.

**Encumbrances** - The amount of funds committed to vendors for goods and services received or to be received by the City as specified in a City purchase order.

**Enterprise Fund** - A type of proprietary fund which contains the activities of funds where the intent is for the direct beneficiaries are to pay for all costs of the fund through fees or where a periodic determination of revenues and expenses is desired by management.

**Estimated Revenue** – The amount of projected revenue to be collected during the fiscal year.

**Expenditure** – Funds spent in accordance with budgeted appropriations on assets or goods and services obtained.

**Fund** – An independent fiscal and accounting entity with a self balancing set of accounts recording cash and/or resources together with all related liabilities, obligations, reserves and equities, which are segregated for the purpose of carrying on specific activities or attaining certain objectives.

**Fund Balance** – The excess of the fund's assets and estimated revenues for the period over its liabilities, reserves and appropriations for the period.

**GAAP** - "Generally Accepted Accounting Principles" GAAP for governments are mostly determined by the GASB.

**GASB** - "Governmental Accounting Standards Board" Determines the underlying principles to be used in accounting for governmental activities.

**General Fund** - The fund of the City that accounts for all activity not specifically accounted for in other funds. It is a fund supported by taxes, fees and other miscellaneous revenues. Includes such operations as police, fire, engineering, planning, parks, museum and administration.

**General Obligations Bonds** - Bonds or other indebtedness of the City for which the pledge made for repayment is the full faith and credit of the City.

**Governmental Fund Types** - Funds that provide general government services. These include the General Fund, Special Revenue Funds, Capital Projects Funds and Debt Service Funds.

**Grant** – A payment from one level of government to another or from one government to a private organization. Practically all federal aid to state and local governments are in this form. Grants are usually made for specific purposes.

**Intergovernmental Revenues** – Revenue received from other governments in the form of grants, shared revenues or payments in lieu of taxes.

**Intergovernmental Services** – Intergovernmental purchases of those specialized services typically performed by local governments (usually recorded in the Internal Service Funds)

**Internal Controls** - A system of controls established by the City designed to safe guard the assets of the City and provide reasonable assurances as to the accuracy of financial data.

**Internal Service Funds** - A type of proprietary fund which accounts for the goods and services which are provided to other units of the City and payment by the benefiting unit is intended to fund the costs of providing such services.

**LEOFF (Law Enforcement Officer and Fire Fighter)** - A retirement system of the State which provides for law enforcement and fire fighter personnel of the City.

**Levy Rate** - The property tax rate used in computing the property tax amount to be paid.

**Licenses and Permits** - A revenue category of the City derived from business licenses, building and development permits.

**LID (Local Improvement Districts)** - A financing mechanism, which permits the building of public infrastructure improvements which benefit a confined area and where the costs for those improvements are to be paid for by the benefiting area land owners.

**Long Term Debt** – Debt with a maturity of more than one year after the date of issuance.

**Operating Budget** - The annual appropriation to maintain the provision of City services to the public.

**PERS (Public Employee Retirement System)** - The state prescribed system for public employment retirement applicable to City employees except where LEOFF is applicable.

**Preliminary Budget** - That budget which is proposed by staff to the City Council and has not yet been adopted by the Council.

**Proprietary Funds** - A group of funds that account for the activities of the City, which are of a proprietary or "business" character. See Enterprise Fund.

**Public Safety** – An additional term used to describe the Police and Fire Departments.

**Revenue Bonds** - Bonds sold by the City that are secured only by the revenues of a particular system, usually the Water/Sewer, Storm Drain and the Regional Water Funds.

**Special Revenue Funds** - General government funds where the source of moneys is dedicated to a specific purpose.

**Standard Work Year** - 2080 hours a year or 260 days.

**Taxes** – Compulsory charges levied by a government to finance services performed for the common benefit. This term does not include specific charges made against particular persons or property for current or permanent benefits, such as special assessments. Neither does the term include charges for services rendered only to those paying such charges (e.g. sewer service charges).

**Working Capital** - The difference between current assets less current liabilities.

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